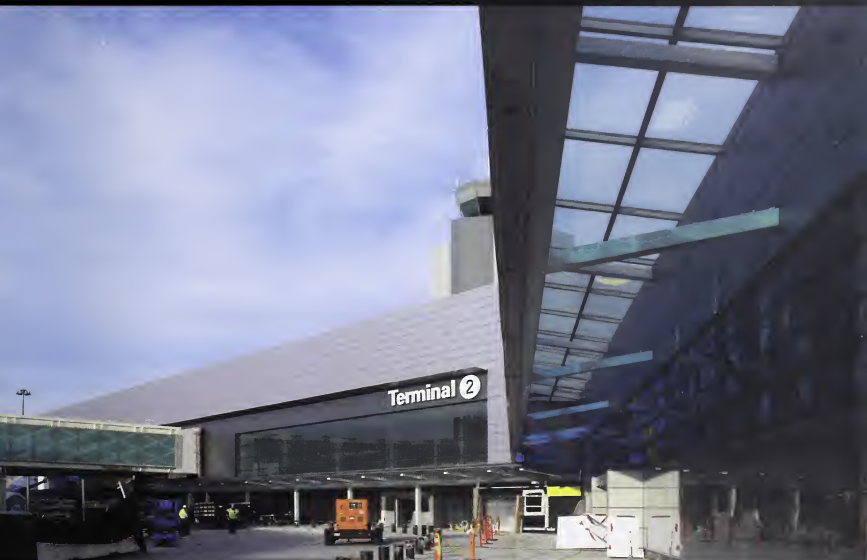


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THE CITY AND COUNTY OF SAN FRANCISCO | CAPITAL PLAN

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FY 2012-2021





City and County of San Francisco

Capital Plan Fiscal Years 2012-2021

**Approved by
Mayor Edwin M. Lee
&
the Board of Supervisors
March 29, 2011**

Copies of this document can be found at <http://onesanfrancisco.org> or through
The Capital Planning Program
City and County of San Francisco
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(415) 558-4003

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OFFICE OF THE
CITY ADMINISTRATOR



Edwin M. Lee, Mayor
Amy L. Brown, Acting City Administrator

April 12, 2011

The Honorable Edwin M. Lee, Mayor
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Honorable Members of the Board of Supervisors
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: City and County of San Francisco Capital Plan FY 2012 – FY 2021

Dear Mayor Lee and Members of the Board of Supervisors:

In compliance with the San Francisco Administrative Code Section 3.20, I am pleased to submit the City and County of San Francisco capital expenditure plan for the next ten years. It provides an assessment of the City's capital infrastructure needs, the investment required to meet those needs, and a plan of finance.

Unanimously approved by the Mayor and Board of Supervisors, the Plan includes figures on the costs of delivering the America's Cup, making seismic repairs to critical facilities, and improving streets and parks without going beyond our means. In total, we believe the City and its partner agencies can deliver \$24.8 billion in infrastructure investments without raising property tax rates or overburdening the General Fund.

With an economy that continues to struggle and a projected budget deficit of \$306 million for the next fiscal year, it is important that policymakers have the Capital Plan to guide them when making funding decisions.

Additional copies of the Plan, a project appendix, and related materials can be found at onesanfrancisco.org or by contacting the Capital Planning Program at (415) 558-4003.

Sincerely,

A handwritten signature in blue ink that reads "Amy L. Brown".

Amy L. Brown
Acting City Administrator


San Francisco's Ten-Year Capital Plan Governance Structure

In August 2005, concerns from city leaders, citizens, Mayor Newsom and the Board of Supervisors culminated in Administrative Code Sections 3.20 and 3.21 requiring the City to annually develop and adopt a ten-year constrained capital expenditure plan for city-owned facilities and infrastructure. The code ensures the Plan's relevance by requiring that all capital expenditures be reviewed in light of the adopted capital expenditure plan.

The Capital Planning Committee (CPC) approves the Capital Plan and makes recommendations to the Board of Supervisors on all of the City's capital expenditures. It consists of the City Administrator as chair, the President of the Board of Supervisors, the Mayor's Finance Director, the Controller, the City Planning Director, the Director of Public Works, the Airport Director, the Executive Director of the Municipal Transportation Agency, the General Manager of the Public Utilities System, the General Manager of the Recreation and Parks Department, and the Executive Director of the Port of San Francisco. The mission of the Capital Planning Committee is to review the proposed capital expenditure plan and to monitor the City's ongoing compliance with the final adopted capital plan.

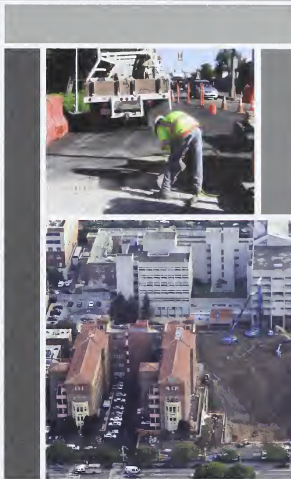
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I | Executive Summary

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Introduction

This FY2012-2021 Proposed City and County of San Francisco Capital Plan (the Plan) comes amid continued uncertainty from a slowly emerging economic recovery, ongoing budget shortfalls, and a pending change in mayoral administrations. Six years ago the Plan represented a blueprint to restore healthy levels of investment in our aging infrastructure. The City has since passed three General Obligation bonds totaling nearly \$1.5 billion; secured \$175 million in federal stimulus funds; fully funded the street repaving program; renovated, opened or broken ground on a wide range of libraries, parks, hospitals, pipelines, transit lines, and museums; begun to green our infrastructure by constructing several living roofs, using energy efficient materials and fixtures, and designing new buildings to be Leadership in Energy Efficiency and Design (LEED) certified; and been named host City for the 34th America's Cup on the northern waterfront.

The Plan continues this commitment by recommending \$16.3 billion in direct City and County investments and \$8.5 billion from external agencies, for a total of almost \$24.8 billion in capital improvements that create more than 162,000 local job years over the next decade (see Appendix B for job estimation methodology). Not merely a wish list of projects, the Plan is practical and fiscally constrained, prioritizing key projects and deferring those without realistic or secured funding sources.

While signs of economic recovery are beginning to appear, the ongoing recession has slowed progress toward a healthy and well balanced infrastructure program. Continued General Fund (GF) deficits and very low annual capital investments are contributing to an already large backlog of routine repair and renewal needs. Last year's reduced capital budget alone deferred the point when investments catch up to annual needs by two more years. Assuming we invest the \$77 million in FY 2012 and increase that to \$123 million by FY 2021 and implement other Plan recommendations, we still will not meet our annual renewal needs until FY 2023. Not only does this prevent the City from maintaining its infrastructure in a state of good repair but it makes those same repairs more expensive in the future as construction costs increase and small preventative repairs become larger and more expensive replacements. This means that a dollar spent today can equal as much as five dollars spent ten years from now.

Capital Plan Summary by Department Type
(Dollars in Millions)

	GF	Enterprise	External	Total
Public Safety	1,777			1,777
Health and Human Services	1,129		565	1,694
Infrastructure and Streets	1,033	6,199	351	7,582
Recreation, Culture, and Education	678		778	1,456
Economic and Neighborhood Development	92	787	3,392	4,271
Transportation		4,433	3,410	7,842
General Government	165			165
Total	4,873	11,419	8,495	24,787

The previous table shows investments of nearly \$4.9 billion for GF departments, including core services the public expects the City to provide. These include replacing the Hall of Justice, repairing the high-pressure fire hydrant system, repaving streets, rebuilding San Francisco General Hospital, upgrading library and park facilities, and removing barriers to accessibility. In addition, the Plan recommends nearly \$11.4 billion to continue major Enterprise department projects such as the Central Subway, Air Traffic Control Tower, the Sewer System Improvement Program (SSIP), and pier reconstruction required to host the America's Cup. Finally, agencies closely related to the City and County of San Francisco but governed by an external body propose nearly \$8.5 billion in capital improvements over the next ten years. These are primarily for major economic development projects in Bayview Hunter's Point, Mission Bay and Treasure Island, the Transbay Transit Center, Caltrain, the Presidio Parkway, Bus Rapid Transit, the Unified School District, and the Housing Authority.

The table below shows capital investments in five-year intervals. Forty percent of capital spending occurs in the first half of the Plan.

Capital Plan Summary in Five-year Intervals (Dollars in Millions)			
	FY 2012 - FY 2016	FY 2017 - FY 2021	Total
Public Safety	1,178	599	1,777
Health and Human Services	1,007	687	1,694
Infrastructure & Streets	3,623	3,959	7,582
Recreation, Culture, and Education	1,077	379	1,456
Economic & Neighborhood Development	2,112	2,159	4,271
Transportation	5,480	2,362	7,842
General Government	66	99	165
Total	14,542	10,245	24,787
General Fund Departments	2,700	2,173	4,873
Enterprise Departments	6,024	5,395	11,419
CCSF Subtotal	8,724	7,568	16,291
External Agencies	5,818	2,677	8,495

Accomplishments

Recent accomplishments related to capital planning include the following:

- Approval of the Earthquake Safety and Emergency Response G.O. Bond in June 2010 by 79 percent of voters. The bond will retrofit the Auxiliary Water Supply System for fire fighting, improve neighborhood fire stations, and construct a Public Safety Building that houses district Police and Fire stations and a new Police Command Center. This is the first of several future planned bond measures to address the City's emergency response infrastructure needs;
- Pavement of nearly 400 City blocks; installation of nearly 1,900 curb ramps (increases of over 30 and 100 percent over FY 2009 respectively); completion of four streetscape improvement projects on Valencia, Van Ness, Divisadero, and Leland Avenue; and final approval of the Better Streets Plan which provides a unified set of policies and

guidelines for the design of the pedestrian realm in San Francisco;

- Demolition of the Transbay Terminal and opening of a new temporary terminal; grand opening of Airport Terminal 2; ground-breaking of the Chinese Recreation Center, Hayes Valley Playground, and Central Subway; and continued progress on the new acute care wing at San Francisco General Hospital, the PUC headquarters at 525 Golden Gate Avenue, and the approach to the Golden Gate Bridge on Doyle Drive (the Presidio Parkway);
- Completion of 20 of the 24 projects of the Branch Library Improvement Program. In FY 2011 this included ground-breaking of the new Bayview branch library, grand opening of the new Visitacion Valley branch library, and the grand re-opening of five branch libraries in Parkside, Park, Presidio, Merced and Anza;
- Opening of the new Laguna Honda Hospital, the first LEED-certified hospital in California; completion of the Sunset Reservoir Solar Project, the largest municipal solar project in California; re-opening of the Palace of Fine Arts; and installation of new digital water meters to better monitor water consumption and track leaks;
- Sustainability improvements on civic buildings including new living roofs on 1 South Van Ness and Ortega Branch Library; citywide energy efficiency improvements like LED streetlights and stimulus-funded lighting and mechanical efficiency improvements that have reduced the City's energy consumption by 27 million kWh/year (the equivalent of taking 6,300 San Francisco households off the grid); and plans underway to retrofit aging boilers, conduct energy audits on all buildings over 10,000 ft², and require LEED Gold certification for all municipal buildings over 5,000 ft²;
- Completion of the final report "Between a Pothole and a Hard Place: Funding Options for San Francisco's Street Resurfacing Program" by the Street Resurfacing Finance Working Group (SRFWG), the recommendations of which have been incorporated into the Infrastructure & Streets chapter and debt program of this Plan;
- Production of the first citywide standard construction cost escalation rate, created as a part of the impact fee deferral legislation. The Annual Infrastructure Construction Cost Inflation Estimate (AICCE) is useful as both a survey of construction forecasts and as a planning tool for the projects of the Capital Plan and will be updated each fall by the Capital Planning Committee;
- Adoption of California's second Infrastructure Finance District to finance new parks, alleys and street improvements with a portion of the future property tax increment generated by new development in Rincon Hill (see Appendix E);
- Connection of over 25 local and regional communications, water, power, transportation, debris management and emergency response agencies around network and service



Copies of the SRFWG report can be found at <http://onesanfrancisco.org>

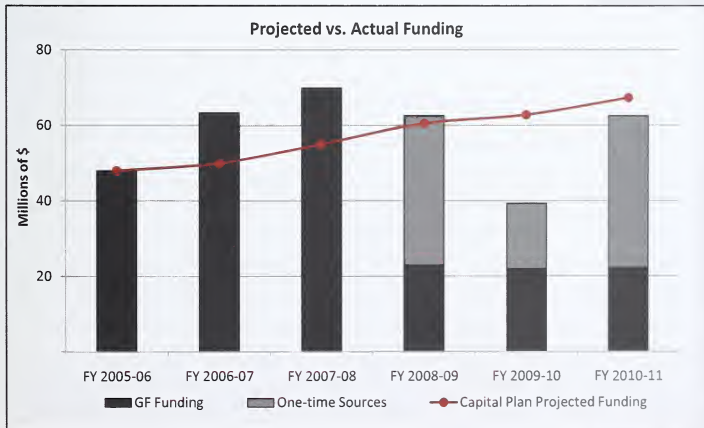
interdependencies after a disaster. The Lifelines Council is the only known local planning entity of its type in the nation;

- Launch of the "ONESF: Building Our Future" coordinated public outreach campaign, including standardized construction signage citywide, a newly redesigned and more user-friendly website, banner advertisements within MUNI buses, and the release of a quarterly newsletter to communicate the successes and challenges of this Capital Plan; and
- Winner of the 2011 Municipal Fiscal Advisory Committee and the San Francisco Planning + Urban Research Association's Public Managerial Excellence team award.

Challenges

The City faces significant challenges to improving and maintaining its physical infrastructure in the current economy. Meeting basic renewal needs such as repaving streets and repairing roofs will require more creativity and strategic thinking. In each of the last five years, the CPC has approved and the Mayor and Board have adopted the policy to increase General Fund commitments ten percent per year to eventually meet our annual capital needs. However, a FY 2011 shortfall of \$438 million resulted in drastic cuts to the capital budget for the third year in a row, as the chart below illustrates. Actual other pay-as-you-go funding in FY 2009, FY 2010 and FY 2011 (shown in light gray) are one-time sources primarily from Certificates of Participation for streets and right-of-way projects but also include the Capital Planning Fund, Sustainable Energy Account, and Redevelopment Agency funds for renewal projects at facilities.

When funding equals annual needs, the annual increase in General Fund commitments slows from ten to five percent.



The City continues to underfund its annual renewal needs, adding to the growing backlog and increasing the likelihood that routine building and street repairs will become more costly reconstructions in future years (at four times the cost). The City is investigating all avenues to address these reductions within the capital budget, including revising annual benchmarks to ensure greater compliance with the Plan's recommendations, analyzing the local economic impact of capital spending, leveraging the value of City-owned assets as debt-financing vehicles, forming public-private partnerships, preparing projects for voter consideration at the ballot, and working to identify new revenue sources.

Opportunities

A positive effect of the struggling economy has been a dramatic improvement in the bidding climate, resulting in significant cost savings. Recent unrest in the Middle East and higher gas prices may increase costs, but the current climate continues to be favorable as limited work has increased competition among potential contractors. This has allowed the City to complete more for less and has created a financial incentive to complete as much work as possible while the bidding climate remains favorable.

Another opportunity has arisen from communicating the City's infrastructure needs. In the last several years, the City has improved its cost estimation and project delivery methods, investing millions in pre-ballot planning so that General Obligation (G.O.) bonds on the ballot have more accurate cost projections and fewer delays. The City invested \$24 million in the General Hospital Rebuild and \$9 million in the Earthquake Safety and Emergency Response Bond before they reached the ballot. These investments significantly increased both public confidence and the likelihood that these projects will be delivered on time and on budget.

Changes in the FY 2012-2021 Capital Plan

Significant changes to this Plan include:

- Incorporation of the recommendations from the SRFWG, including the recommendation of a long-term, stable source for streets as well as the addition of a Safe Streets and Road Repair bond in November 2011;
- Advancement of the November 2014 Neighborhood Parks and Open Space G.O. bond to no earlier than November 2012 and the addition of \$35 million to this \$150 million bond to incorporate critical open space needs at the Port;
- Addition of a \$510 million Public Health Facilities Seismic Improvement G.O. bond in November 2016;

While the ideal timing for the Neighborhood Parks and Open Space G.O. bond is November 2013, this conflicts with the current proposed ballot date for the second Earthquake Safety and Emergency Response G.O. bond.

General Fund Department Program Summary

(Dollars in Millions)

RENEWAL INVESTMENTS	Funded	Deferred
Today's Backlogs		
Facilities		269
Streets		440
Subtotal		709
Projected for Next Ten Years		
Facilities	545	352
Streets	788	24
Other right-of-way assets	88	31
Subtotal	1,421	407
Subtotal, Renewals	1,421	1,115
CAPITAL IMPROVEMENT INVESTMENTS	Funded	Deferred
Earthquake & Public Safety Improvements		
SFGH Rebuild	461	
Police & Fire Stations Seismic Improvements & Renewals	161	
Auxiliary Water Supply System: Core Facilities, Cisterns & Pipes	96	
Auxiliary Water Supply System: Pipeline Improvements	80	
Public Safety Building: New Mission Bay Fire Station	15	
Public Safety Building: SFPD Headquarters & Southern Station	160	
Forensic Services Division & Medical Examiner Relocations	180	
HOJ Local Justice Agencies & SFPD Investigations Unit	475	
County Jails 3 & 4 Replacement (HOJ)	435	
HOJ Traffic Division Relocation	30	
Veterans Building Seismic Renovation	115	
DPH Administration Building Seismic Retrofit & Expansion	210	
SFGH Building 5 Renovation & Seismic Retrofit	300	
Seismic Upgrade of remaining SFGH & LHH facilities		480
Seismic Upgrade and Renovation of Corporate Yards		88
Subtotal	2,719	567
Disability Access Improvements		
Facilities	24	
Public Right-of-Way	153	
Subtotal	177	
Parks, Open Space & Greening Improvements		
Systemwide Parks improvements	300	
Marina Yacht Harbor Renovation	20	
Great Streets Program	3	494
Better Market Street		200
Subtotal	323	694
Other Improvements		
Wholesale Produce Market Expansion	63	
Convention Center Improvements	43	
Consolidation of Family Court Services at YGC Campus	100	
Hidden Valley Ranch & Log Cabin Ranch Improvements		173
Replacement of the Youth Guidance Center Administrative Building		76
Utility Undergrounding		720
Cultural Center Upgrades		101
Islais Creek Bridge		70
Other projects	26	541
Subtotal	233	1,681
Subtotal, Enhancements	3,452	2,942
PLAN TOTAL	4,873	4,058

- Transfer of the \$475 million Hall of Justice Local Agencies and San Francisco Police Department Investigations Replacement Project scheduled in FY 2021 from the General Fund debt program to the G.O. bond program;
- Potential deferral of fees from near term, privately funded development projects proposed by neighborhood Area Plans, but an increase in the likelihood that developers will move projects forward due to passage of the impact fee deferral legislation; and
- Refinement of project cost estimates throughout the Plan.

General Fund Department Program Summary

The Plan proposes \$4.9 billion over the next ten years for critical repairs and improvements to General Fund facilities and infrastructure. The table on the previous page outlines these investments and also shows projects deferred from the Plan. This list is not exhaustive. The Emerging Needs section at the end of most chapters identifies projects that still need further development.

General Fund Program Highlights

Funded projects listed in the General Fund Summary table are prioritized according to the funding principles identified in the Appendix. The Capital Plan addresses the following infrastructure needs:

- **Renewal investments for streets and City-owned facilities.** Totalling \$1.4 billion, proposed funding for maintaining City-owned facilities and right-of-way assets in a state of good repair increases from meeting 47 percent of needs in year one to 80 percent in year ten.
- **Earthquake and Public Safety Improvements at Critical Facilities.** The Plan heavily prioritizes seismic and other public safety projects that ensure city facilities are seismically safe and operable after an emergency. These investments total \$2.7 billion. The highest priorities are projects in the November 2013 Earthquake Safety and Emergency Response G.O. bond and the replacement of County Jails #3 and #4 now at the Hall of Justice.
- **Disability Access Improvements.** The Plan recommends \$177 million to improve the accessibility of City facilities as well as the public right-of-way, including curb ramps and sidewalks.
- **Parks and Open Space Improvements.** This year's Plan proposes \$323 million in investments, primarily for neighborhood parks.
- **Other Improvements.** Other investments proposed in the Plan include relocating the

City's data center, expanding the Wholesale Produce Market, and consolidating the Family Court Services building at the Youth Guidance Center campus.

Pay-as-you-go Program for Annual Needs

The Plan proposes to fund the majority of its pay-as-you-go or ongoing, annual needs with General Fund dollars. These are typically smaller investments needed to maintain facilities and infrastructure in a state of good repair. Totalling \$1.2 billion, annual General Fund needs have decreased about 31 percent due to the following assumptions:

- Street resurfacing needs will be met through a November 2011 Safe Streets and Road Repair G.O. bond as well as a long-term revenue source (e.g. increasing the vehicle license fee);
- Renewal needs for police and fire stations will be funded through the Earthquake Safety and Emergency Response (ESER) G.O. bonds;
- Continued collection of the Tourist Improvement District (TID) Assessment will fund capital renewals at Moscone convention facilities; and
- Renewal needs for facilities at the San Francisco General Hospital campus, primarily Building 5, will be addressed through the proposed November 2016 Public Health Facilities G.O. bond.

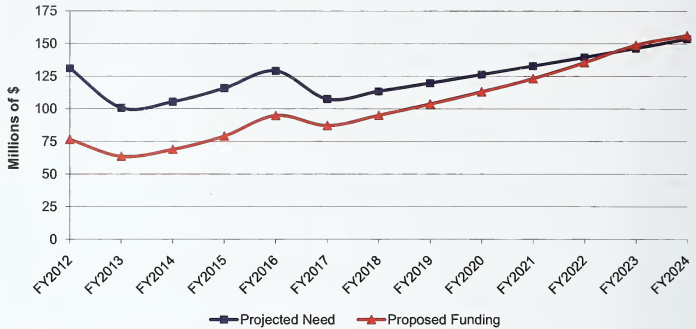
General Fund Pay-as-you-go Program Needs

(Dollars in Millions)

	FY12-16	FY17-21	Plan Total
Routine Maintenance	85	109	194
ADA Transition Plan: Facilities	24		24
ADA Transition Plan: Public Right-of-Way	16	49	66
Critical Project Development	27	32	59
Streets and Right-of-Way	58	47	105
Facility Renewal	372	363	735
TOTAL	582	600	1,183

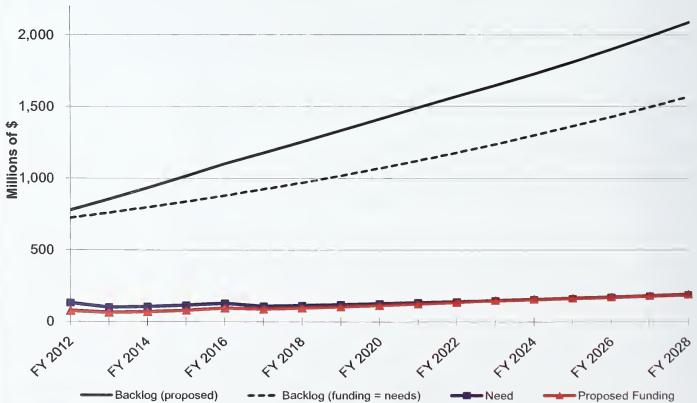
The Plan proposes \$77 million in General Fund dollars for these needs in FY 2012, growing to \$123 million in FY 2021. The Routine Maintenance, ADA Transition Plan for Facilities and Public Right-of-Way and the Critical Project Development programs are fully funded. Funding for the renewal programs (Facilities and Streets and Right-of-Way), however, is allocated proportionate to need. The following graph shows annual pay-as-you-go needs versus proposed funding. The two lines intersect in FY 2023.

Pay-as-you-go Program Needs vs. Funding



By the end of the Plan, the existing backlog and future deferred work grows to almost \$1.5 billion. In 20 years, it will reach a staggering \$2.2 billion. If funding equaled annual needs, the backlog in FY 2021 would be 25 percent less at \$1.1 billion. The graph below shows the relationship between proposed funding levels and backlog growth.

Pay-as-you-go Need, Funding, & Backlog FY 2012-2028



Debt Financing Program

Most of the capital improvement investments or enhancement projects outlined in the General Fund (GF) Summary Table on page 7 are funded with voter-approved G.O. bonds or GF commitments such as lease revenue bonds and certificates of participation (C.O.P.s). Debt financing is an appropriate means of paying for these improvements given their long useful lives and the fact that their costs exceed the ability to utilize cash or pay-as-you-go revenue sources. The use of debt also serves to spread out the financial burden of paying for facilities between current and future generations that will both receive their benefits.

Since 2007 the Capital Planning Committee (CPC) has approved the following financial constraints with respect to the use of debt:

- ***When issued, G.O. bonds proposed by this Plan will not increase voters' long-term property tax rates above FY 2006 levels.*** In other words, new G.O. bonds will only be used as a funding source when existing approved and issued debt is retired and/or the property tax base grows.
- ***The City will maintain the percentage of the General Fund spent on debt service at 3.25 percent of discretionary revenues.*** Stated differently, these financing instruments will only be used when existing issues of debt are retired and/or the City's General Fund grows.

As the City repays debt and other obligations issued over the last 15 years (i.e. to improve branch libraries, the Academy of Sciences, regional and neighborhood parks, Laguna Honda and San Francisco General Hospital, the Zoo, the Moscone West convention center, and the Asian Art Museum) and assessed valuations of taxable property and General Fund revenues increase, the City can issue nearly \$2.5 billion in new debt and other long-term obligations without violating these two financial constraints. This is shown graphically on the following pages.

General Obligation Bond Debt

For all but school facilities, General Obligation (G.O.) bond proposals in California require two-thirds voter approval, a difficult threshold that limits the ability of municipalities to construct large capital projects. However, in 2008, after eight years without an approved City bond proposal, voters approved the first two G.O. bonds proposed by the Plan – the February \$185 million Clean and Safe Neighborhood Parks bond and the November \$887.4 million San Francisco General Hospital Rebuild bond. In June 2010 voters also approved the \$412.3 million Earthquake Safety and Emergency Response bond.

A major change in this Plan is the addition of a Safe Streets and Road Repair bond on the November 2011 ballot and a Public Health Facilities Seismic Improvement bond in November 2016. The following table outlines the revised strategy.

For more information, see the Controller's Office of Public Finance approved Debt Policy at <http://www.sfcontroller.org/index.aspx?page=296>

State law requires a 55 percent threshold for passage of school facility G.O. bonds.

Debt Program

(Dollars in Millions)

<i>Month/Yr</i>	<i>Proposed Bond Issuance</i>	<i>Total</i>
Nov 2011	Safe Streets & Road Repair	170
Nov 2012	Neighborhood Parks & Open Space Improvements	185
Nov 2013	Earthquake Safety & Emergency Response (Phase 2)	390
Nov 2016	Public Health Facilities Seismic Improvement	510
Nov 2020	Neighborhood Parks & Open Space Improvements	150
Jun 2021	Earthquake Safety & Emergency Response (Phase 3)	475
G.O. Bond Subtotal		1,880
<i>(BLIP, Gas Tax, Moscone, SFGH Generator, Streets & ROW)</i>		141
FY 2012	Veterans Building Seismic Improvement	130
FY 2014	HOJ Jails 3 & 4 Replacement	435
GF Debt Subtotal		565
Debt Program Total		\$2,445

In addition to the bonds proposed at right, the City expects to sell \$1.165 billion in previously authorized and unissued G.O. bonds and \$141 million in GF debt.

The City's G.O. bond ratings are as follows:

- Moody's: Aa2
- Fitch: AA
- Standard & Poor's: AA

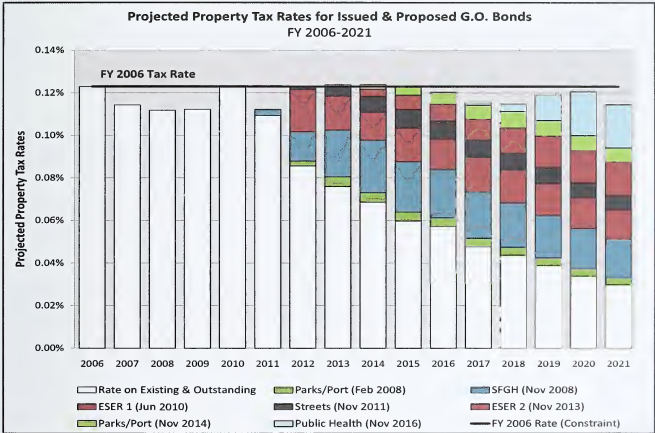
All costs are estimates and may need to be adjusted in future plans to account for program changes, site acquisition, alternate delivery methods, and/or changing rates of construction cost escalation.

Separate from the City and County, the San Francisco Unified School District is planning a \$531 million G.O. bond measure for the November 2011 ballot and the Bay Area Rapid Transit District (BART) is considering a G.O. bond on the November 2012 ballot for their planned car replacement project. The following chart shows anticipated G.O. bonds in San Francisco by election date.

G.O. Bonds by Election	
Nov-11	Safe Streets & Road Repair (\$170M) <i>San Francisco Unified School District (\$531M)</i>
Jun-12	
Nov-12	Neighborhood Parks & Open Space Improvements (\$185M) <i>BART Rail Car Replacement</i>
Nov-13	Earthquake Safety & Emergency Response 2 (\$390M)
Jun-14	
Nov-14	
Nov-15	
Jun-16	
Nov-16	Public Health Facilities Seismic Retrofit & Renovation (\$510M)
Jun-18	
Nov-18	
Nov-19	
Jun-20	
Nov-20	Neighborhood Parks & Open Space Improvements (\$150M)
Jun-21	Earthquake Safety & Emergency Response 3 (\$475M)

The following chart illustrates the impact on the local tax rate of issued, expected, and proposed G.O. bond debt. The downward sloping white bars represent the local property tax rate resulting from the gradual repayment of previously approved G.O. bonds such as the Neighborhood Parks, Academy of Sciences, and Branch Library bonds of 2000. The next three columns represent the remaining authority from the recently approved Clean and Safe Neighborhood Parks, San Francisco General Hospital Rebuild, and Earthquake Safety and Emergency Response bonds. The top four columns represent the tax rate impact of the proposed bonds in the chart at left. Bonds proposed for the November 2020 and June 2021 ballots are not expected to have tax rate impacts until fiscal year 2022.

The Plan assumes property tax base growth (net assessed valuation) of -1.5% in FY 2012, 1.6% in FY 2013, 2.7% in FY 2014, and 4.5% thereafter.



Certificates of Participation & Lease Revenue Bonds

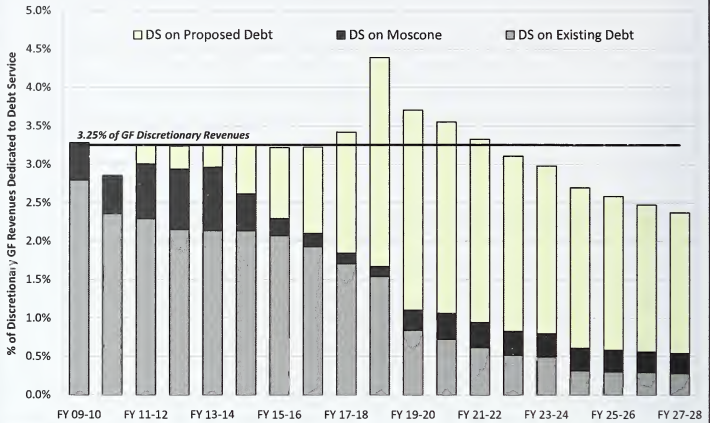
Unlike G.O. bonds, lease revenue bonds and C.O.P.s are typically repaid out of the City's General Fund (GF) or revenue that would otherwise flow to the GF. The City utilizes lease revenue bonds and C.O.P.s to leverage GF receipts (such as fees and charges) to finance capital projects and acquisitions, many of which provide direct revenue benefit or cost savings. Debt service payments for lease revenue bonds and C.O.P.s are typically paid from revenues of the related project, or fees, taxes or surcharges imposed by users of the project.

The financial constraint for issuing GF debt assumes discretionary revenues grow 4.5% annually.

This number may be adjusted based on the City's 3-Year Budget Projection for FY 2012-2014.

General Fund Debt Service and Long-Term Lease Obligations

FY 2010-2028



Construction costs to replace the jails on the top two floors of the Hall of Justice result in the City exceeding the GF debt program constraint in FY 2019. In the next two years, the CPC will work with the Department of Public Works and the Sheriff's Department to reduce costs and mitigate the impact on the GF.

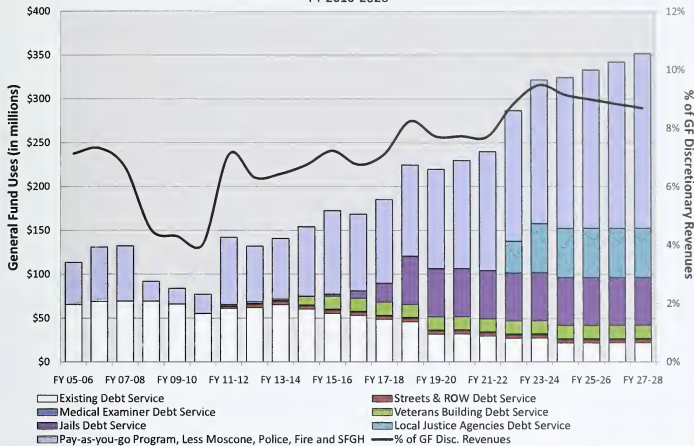
The above chart illustrates debt service costs of existing and proposed C.O.P.s and lease revenue bonds. The bottom portion of the columns represents debt service commitments for previously issued revenue bonds, including the San Bruno jail and City office buildings in the Civic Center. New obligations are represented by the top portion of the columns and include the replacement of old Jails #3 and #4 at the Hall of Justice and the renovation and seismic bracing of the Veterans Building. The middle portion of the columns shows the debt service payments for the Moscone West Convention Center. The City is continuing to mitigate the impact of those years that exceed the 3.25 percent cap by exploring the sale of Transferable Development Rights, phasing construction contracts to match available funds, and prepaying or deferring existing debt service payments.

The following graph shows both debt service commitments and pay-as-you-go investments. Over the next ten years, these expenditures represent 7.1 percent of GF discretionary revenues.

Projected General Fund Capital Expenditures

GF Debt & Pay-as-you-go Programs

FY 2010-2028



Deferred Projects and Emerging Needs

While the recommended General Fund program will address critical facility and infrastructure renewal, earthquake safety and accessibility needs over the coming decade, there is still a significant funding gap. Closing this gap requires difficult choices by policy makers in coming years. These deferred needs total more than \$4 billion. Seventeen percent, or \$709 million, is from historic underinvestment in facilities and infrastructure. Project-specific information on deferred and emerging needs is available in each chapter.

Enterprise & External Agencies Program Summary

Unlike most of the General Fund departments, many of these departments have dedicated systems and staff to develop capital plans. The following programs and estimated costs were compiled by Enterprise department and external agency staff with the guidance of their boards and commissions.

Capital investments for Enterprise departments during the next ten years are approximately \$11.4 billion. This is down about 19 percent from last year's \$14.1 billion largely due to \$2.6 billion in reduced local revenue assumptions at the MTA. Major projects include: pier reconstruction and associated improvements in preparation for hosting the 34th America's

Cup; reconfiguration of Airport Terminal 2 and construction of a new Air Traffic Control Tower; construction of the Central Subway; redevelopment of Pier 70; realizing the improvements envisioned in the Planning Department's neighborhood Area Plans; initiation of the PUC's Sewer System Improvement Plan and completion of the Water System Improvement Program; and the launch of numerous innovative programs from SFpark to digital water meters and energy efficient street lighting.

The \$8.4 billion for external agencies (down six percent from last year) is primarily for transportation (i.e. the Transbay Transit Center, Presidio Parkway/Doyle Drive, and Caltrain) and economic development investments at Treasure Island, Mission Bay, and Hunter's Point Shipyard, with the balance for scheduled work at the Housing Authority and Unified School District.

Capital Planning Initiatives & Next Steps

Program improvements made during the last year as well as shortcomings to address in next year's Capital Plan include the following:

- **Disaster Preparedness and Hazard Mitigation.** According to the 2007 Working Group on California Earthquake Probabilities, there is a 62 percent chance that a major earthquake will strike along one of the seven fault systems near San Francisco during the next 25 years. In 2008 the General Services Agency (GSA), the Department of Emergency Management (DEM) and the Office of the Controller (CON) created the Citywide Post-Disaster Resilience and Recovery Initiative. It seeks to identify and implement projects, programs, legislation or other activities that meet the objectives of advance planning and accelerated post-disaster recovery. Some of these efforts include updating the City's Community Safety Element and expanding the Hazard Mitigation Plan (HMP) originally released in September 2008.

Realizing that post-disaster recovery is an interconnected emergency planning, mitigation and response effort, the City is launching an expanded ResilientSF: Citywide Resilience Initiative to address all aspects of disaster planning.

In addition to the above needs identified through the HMP, which includes many of the projects identified in the Capital Plan, the City is implementing a number of initiatives to ensure continuity of government and strengthen emergency response and recovery efforts after a major disaster.

- » **Building Occupancy Resumption Program (BORP) for and Seismic Assessments of City-Owned Buildings.** In partnership with the Department of Public Works, Real Estate Division, Department of Building Inspection, DEM, CON, GSA, and Enterprise departments, the Capital Planning Program has launched an initiative to get public buildings up and running as quickly as possible after a major earthquake.

A copy of the City's Hazard Mitigation Plan and related documents are available online at <http://www.sfdem.org/index.aspx?page=4>.

In addition to seismic assessments, it also includes implementing a program to speed up the process for inspecting the structural safety of City-owned buildings after an earthquake. The inspection program is the first of its kind in California for publicly-owned buildings. Seismic assessments and BORP documentation for approximately ten City-owned buildings are anticipated to be complete in fall 2011.

» **Community Action Plan for Seismic Safety (CAPSS) Project.** The CAPSS project establishes a plan of action for the Department of Building Inspection to reduce earthquake risks and develop repair and rebuilding guidelines to expedite recovery in private buildings. Released in December 2010, the final CAPSS report identifies 16 recommendations for improving the seismic safety of private buildings. The report highlights the vulnerability of multi-unit, wood-frame, soft-story buildings and non-ductile concrete structures in future earthquakes and recommends mandatory retrofits of these buildings. It also recommends various ways to reduce post-earthquake fires, such as installing gas shut-off valves. Pursuant to Executive Directive 10-02, the Mayor assigned the City Administrators Office to oversee the continuation of the CAPSS work under the new Earthquake Safety Implementation Committee (ESIC).

» **Lifelines Council.** The Lifelines Council connects more than 25 local and regional lifeline agencies: communications, water, power, transportation, debris management and emergency response. The Lifelines Council explores network and service interdependencies and is the only known local planning entity of its type. The City plans to complete a formal interdependency analysis in 2011 to improve service provider coordination and post-disaster restoration and recovery.

- **Public outreach effort.** This fifth update to the inaugural Capital Plan continues previous efforts to widen the audience and readership of the Capital Plan. In addition to this document, the CPP has created a new, updated website (www.onesanfrancisco.org), standardized construction signage citywide, issued its first quarterly newsletter and placed advertising placards in MUNI buses.
- **Asset management.** Real Estate and DPW completed the first implementing phase of a maintenance management system for facilities and streets. The application provides a flexible way to track the City's assets and may also include energy efficiency tracking once the initial phase is complete. The rollout and refinement of this tool will enable much better links between asset planning, maintenance and operations.
- **Interagency planning.** Legislation in late 2008 tasked the CPC with implementing the capital projects resulting from the Planning Department's better neighborhood Area Plans. Subsections of the City's General Plan, Area Plans rezone underutilized neighborhoods and recommend a host of specific infrastructure projects designed to support new residential and commercial development. Building on the recommendations

More information on the Community Action Plan for Seismic Safety is available at sfcapss.org.

of the Eastern Neighborhood Infrastructure Finance Working Group (ENIFWG), the CPP will chair the new Area Plan Infrastructure Finance Committee when they begin meeting in early 2011. The APIFC will recommend a citywide policy for the use of future tax increment in new or significantly rezoned neighborhoods.

- **Public opinion research.** The Capital Planning Program (CPP) expects to conduct additional public opinion research in 2011 and 2012 around resident priorities for the City's streets and rights of way.
- **Capital Renewal Recovery Rate for facility maintenance and repairs.** The Real Estate Division implemented an aggregate rental rate model for Civic Center facilities (25 & 30 Van Ness, 1650 Mission, 1660 Mission, 555 7th, and 1 South Van Ness) to cover not only administrative costs of administering the lease, but also some maintenance and capital repair costs. The CPP will explore expanding this model to all City facilities as a way to meet annual facility renewal needs and to reflect the true cost of occupying space.
- **Capital Incentive Program.** In an effort to incentivize performance on the delivery of large capital projects, in 2006 the City added an Appendix into the Memorandum of Understanding with IFPTE Local 21 creating a pilot Capital Incentive Program. The Capital Planning Program will continue to administer this pilot program in its remaining years.
- **Construction Cost Escalation.** Legislation adopted in 2010 requires the CPC to annually evaluate existing construction cost escalation rates and to adopt a standard Annual Infrastructure Construction Cost Inflation Estimate that would be applied to the impact fee deferral program and could be used to inform cost estimation of projects in the first years of the Capital Plan.
- **Advanced Capital Planning for Streets.** Finally adopted in December 2010, the Better Streets Plan calls for City departments to work together to improve the functioning and aesthetic of our City's streets to meet social, ecological, recreation, and transportation goals. These new guidelines will determine how the City funds and maintains streetscapes.

More information on the Better Streets Plan is available online at sf-planning.org/ftp/BetterStreets/index.htm.



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Public Safety Facilities



Legend

- ▲ Fire Department
- ◆ Police
- Sheriff

Public Safety Facilities

The City is responsible for the operation and maintenance of 42 fire stations, ten police district stations, five adult jails, 23 courtrooms in four locations, a juvenile detention facility and administrative offices, and a juvenile ranch facility.

Number	Name
1-48	Fire Stations (Numbered to 48 for historical reasons)
49	SF General Hospital Jail Ward
50	Treasure Island Jail
51	Central Police Station
52	Hall of Justice: <ul style="list-style-type: none">• Southern Police Station and Police HQ• Medical Examiner• County Jails #1 and #2• Other Local Justice Agencies
53	Bayview Police Station
54	Mission Police Station
55	Northern Police Station
56	Park Police Station
57	Richmond Police Station
58	Ingleside Police Station
59	Taraval Police Station
60	Tenderloin Police Station

Highlights and Accomplishments

The majority of the proposed public safety investments focus on replacing the seismically deficient Hall of Justice (HOJ) and critical firefighting infrastructure. A big step toward this end was passage of the \$412.3 million Earthquake Safety and Emergency Response (ESER) G.O. Bond by 79 percent of the voters in June 2010. Sold in December 2010, the first issuance of \$78 million from the bond will complete detailed design and begin construction on a new Public Safety Building at 3rd Street and Mission Rock; initiate designs for safety improvements at fire stations and constructing new cisterns; begin construction on critical above-ground Auxillary Water Supply System (AWSS) facilities; and define the AWSS pipeline network repair and replacement plan.

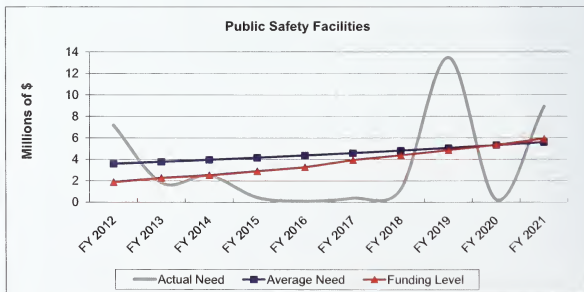
The Plan proposes a second ESER G.O. Bond in November 2013 for additional AWSS pipeline improvements, seismic upgrades and repairs to fire and police stations, and the relocation of the Medical Examiner and Forensic Sciences Division. Furthermore, the Plan proposes issuing Certificates of Participation (C.O.P.s) to replace the jails on the top two floors of the HOJ.

The City, in partnership with the San Francisco Museum of Modern Art (SF MoMA), is in the process of replacing Fire Station 1 at 3rd and Howard Streets with a state-of-the-art facility at 935 Folsom Street. In exchange for funding the project and providing the land, SF MoMA will receive the old fire station and part of Hunt Alley behind the station for expansion.

1. Renewal Program

FRRM projects \$98 million in renewal needs for Public Safety facilities over the next ten years. Given funding constraints, the Plan allocates \$37 million in GF dollars to meet the needs at Juvenile Probation and Sheriff's Department facilities. Some funding from the two ESER G.O. bonds will go toward renewals at fire and police stations.

The Plan proposes funding most renewals at police and fire stations through the ESER G.O. Bonds. These investments are not reflected in the renewal curve.



2. Enhancement Program (FY2012 – FY2016)

The projects in the first five years of the Plan are funded through two Earthquake Safety & Emergency Response G.O. bonds and C.O.P.s.

- **Earthquake Safety and Emergency Response General Obligation Bond #1 (June 2010).** The first phase of a program designed to save lives, protect property and assure prompt economic recovery after a major earthquake or disaster, this \$412.3 million bond will address core components of AWSS, improve neighborhood fire stations, and provide a seismically safe police command center. Funds are now in place to (1) design and develop plans for and begin construction on a new Public Safety Building; (2) conduct planning and feasibility studies to renovate 19 fire stations; (3) develop schematic designs of AWSS cisterns, pipes and tunnels improvements; and (4) further define the type and location of AWSS pipeline improvements to that will largely be funded by the second ESER bond.
- **Earthquake Safety and Emergency Response G.O. Bond #2 (November 2013).** The second ESER bond will address the AWSS pipeline network; make critical repairs to fire and police stations throughout the City; and relocate the Medical Examiner and the Police Department's Traffic and Forensic Services Divisions out of the Hall of Justice. It will also relocated the Police Crime Lab out of the Hunter's Point Shipyard development site.
- **County Jails #3 and #4 Replacement.** Addressing a critical health and safety issue facing the City, this project proposes issuing \$435 million in Certificates of Participation (C.O.P.s) to construct a new jail. A large earthquake similar to recent ones in Haiti, Chile, and Japan will likely require evacuating the building of well over 800 prisoners and hundreds more staff and citizens, putting them at risk. Although evacuation plans are in place, the costs to temporarily house the prisoners until a new facility is built would likely cost tens of millions of dollars.

The ideal location is a site adjacent to the current HOJ and the criminal courts. Efforts are underway to identify and secure a site, develop conceptual design documents, and obtain environmental clearances.
- **Fire Station 1 Replacement.** Funded by SF MoMA through a public, private, partnership; this \$6 million project is expected to be complete in 2012.

More information on the Earthquake Safety and Emergency Response Bond can be found at sfearthquakesafety.org.



Schematic of potential new jail location

Previous plans have shown Certificates of Participation as the funding source for relocating the HOJ Local Justice Agencies and SFPD Investigations. This Plan shifts the source to a G.O. Bond.

3. Enhancement Program (FY2017 – FY2021)

More than a third of the \$1.8 billion in public safety enhancements is proposed during the second half of the plan for the following projects.

- **HOJ Local Justice Agencies & SFPD Investigations Unit.** Relocating Adult Probation, District Attorney and Investigations is one of the final phases in replacing the HOJ. The \$475 million project is proposed for the June 2021 ballot.
- **Consolidation of Family Court Services.** The Plan proposes \$100 million to consolidate Family Court Services and replace other state owned buildings at the Youth Guidance Center campus.

4. Deferred Projects

Even with these record investments, public safety needs are substantially higher than available funds. As a result, several critical projects are deferred from the Plan.

- **Fire Department Training Facility Relocation and Expansion.** No funding is proposed for this project due to economic constraints and uncertain timing of the development of Treasure Island. The department is interested in replacing the current facilities at 19th and Folsom and on Treasure Island with a new, combined facility that includes training classrooms, apparatus storage, a vehicular training field, drill tower, live fire simulators, and a fireboat dock. The cost is estimated at \$149 million.
- **Youth Guidance Center Administrative Building Replacement.** Built in 1950, this facility houses administration functions for Juvenile Probation. In addition to a seismic retrofit, it needs accessibility improvements, repairs to the deteriorating wood-frame exterior, and other critical repairs.
- **Log Cabin Ranch Improvements.** Deferred from the Plan is a proposal to build several cottages to replace the existing dorm facility. These improvements are estimated at \$91 million.
- **Relocation of the SFPD's Central District Station.** Built in 1972 and located under a public parking facility on Vallejo Avenue, this station is the only one not upgraded in the 1987 police facility bond program.
- **Police Training Academy Expansion and Renovation.** Other police departments in the region send their recruits to train at San Francisco's Academy. However, the Academy does not have enough space to accommodate required training programs and may cause San Francisco to lose its regional certification. Expanding this space is estimated to cost almost \$19 million.
- **Old Potrero Police Station.** Located at Tennessee and 3rd, this unoccupied former

police station is an unreinforced masonry building at risk of collapse. The estimated cost to convert this facility into a fire station or similar type of facility is \$26 million.

5. Emerging Needs

The level of investment required to meet the following capital needs are not funded, but will be reviewed in subsequent years as additional planning helps resolve uncertainty around project-specific issues.

- **Relocation of the Criminal Courts at HOJ.** The courts have the same overcrowding and seismic concerns at this building as the City. The City and the Superior Court have worked closely together since the HOJ was built to securely transport inmates from the City's jail to courtrooms. It is in the City's interest to enable the Superior Court to rebuild their Criminal Courts immediately adjacent to the existing and planned HOJ jails. The City is exploring dedicating a parcel of the existing site, which will be possible upon the demolition of the west wing of the HOJ.
- **Log Cabin and Hidden Valley Ranch Master Plan.** Juvenile Probation will be developing a master plan for both campuses to address future growth, treatment options, facility requirements, and funding opportunities. In addition to the Log Cabin Ranch program, a need for a secure facility is emerging as the State seeks to withdraw from providing correctional facilities for serious youthful offenders through its realignment plan. State funds may be available to assist in renovating and reopening the shuttered Hidden Valley Ranch to serve as a regional facility.

Public Safety

Program / Project	FY 2017 -						Plan Total	Backlog
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017		
State of good repair renewal - Need	7,732	8,118	8,524	8,950	9,398	54,526	97,248	28,441
<u>SPENDING PLAN</u>								<u>DEFERRED</u>
State of good repair renewal - Proposed Uses	1,869	2,257	102,512	2,892	3,259	24,373	137,162	18,672
ADA Transition Plan Improvements			1,621				1,621	
Enhancements	150,040	124,625	713,160	75,565		574,806	1,638,196	514,631
TOTAL	151,909	126,882	817,293	78,457	3,259	599,179	1,776,978	533,303
<u>REVENUES</u>								
General Fund	8,859	7,107	4,133	2,892	3,259	24,373	50,623	
Capital Planning Fund			(11,840)				(11,840)	
Private and Non-Profit Sources	6,000						6,000	
Earthquake Safety & Emergency Response Bond #1	137,050	119,775		75,565			332,390	
Earthquake Safety & Emergency Response Bond #2			390,000				390,000	
Earthquake Safety & Emergency Response Bond #3						475,178	475,178	
Certificates of Participation							435,000	
State						99,628	99,628	
TOTAL	151,909	126,882	817,293	78,457	3,259	599,179	1,776,978	
Total San Francisco Jobs/Year	993	830	5,345	513	21	3,919	11,621	

Departmental Breakdown

Fire Department

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	3,583	3,762	3,950	4,148	4,355	25,269	45,068	
<i>SPENDING PLAN</i>								<i>DEFERRED</i>
Fire Stations Seismic Improvements & Renewals	3,611	29,677	50,000	28,125			111,413	
Auxiliary Water Supply System: Core Facilities, Cisterns & Pipes	1,648	46,577		47,440			95,665	
Auxiliary Water Supply System: Pipeline Improvements			80,000				80,000	
Public Safety Building: New Mission Bay Fire Station	11,598	3,835					15,433	
SFFD Training Facility Relocation and Expansion								149,339
Fire Station 1 Replacement	6,000						6,000	
AWSS Extension to Richmond and Sunset Neighborhoods								25,000
TOTAL	22,857	80,089	130,000	75,565			308,511	174,339
<i>REVENUES</i>								
General Fund								
Capital Planning Fund							6,000	
Private and Non-Profit Sources	6,000						172,511	
Earthquake Safety & Emergency Response Bond #1	16,857	80,089		75,565			130,000	
Earthquake Safety & Emergency Response Bond #2			130,000				308,511	
TOTAL	22,857	80,089	130,000	75,565			308,511	
Total San Francisco Jobs/Year	149	524	850	494			2,018	

Office of the Chief Medical Examiner

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
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SPENDING PLAN

Office of Chief Medical Examiner (OCME) Facility			51,000				51,000	
TOTAL			51,000				51,000	

DEFERRED

REVENUES

Earthquake Safety & Emergency Response Bond #2			51,000				51,000	
TOTAL			51,000				51,000	
<i>Total San Francisco Jobs/Year</i>			334				334	

Juvenile Probation

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
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State of good repair renewal - Need	480	504	529	556	584	3,386	6,040	22,559
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SPENDING PLAN

State of good repair renewal - Proposed Uses	645	779	971	1,118	1,259	9,417	14,188	
Consolidation of Family Court Services at YGC Campus						99,628	99,628	
Replacement of the Youth Guidance Center Administrative Building								76,400
Log Cabin Ranch Improvements and Master Plan Implementation								91,004
Hidden Valley Ranch Reactivation								82,135
TOTAL	645	779	971	1,118	1,259	109,045	113,816	249,539

DEFERRED

REVENUES

General Fund	645	779	971	1,118	1,259	9,417	14,188	
State						99,628	99,628	
TOTAL	645	779	971	1,118	1,259	109,045	113,816	
<i>Total San Francisco Jobs/Year</i>	4	5	6	7	8	713	744	

Police Department

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	805	845	888	932	979	5,678	10,128	5,298
SPENDING PLAN								DEFERRED
Police Stations Seismic Improvements & Renewals	200	242	50,000				50,442	112
ADA Transition Plan Improvements - Police Department			405				405	
Public Safety Building- SFPD Headquarters & Southern Station	120,193	39,686					159,879	
SFPD Forensic Services Division Facility	1,590	1,150	126,260				129,000	
HQJ Traffic Division Relocation			30,000				30,000	
HQJ Local Justice Agencies & SFPD Investigations Unit						475,178	475,178	
SFPD Central District Station Replacement								39,891
Expansion and Renovation of the Police Training Academy								19,397
Old Potrero Police Station Renovation								25,751
GGP Police Stables Renovation								898
TOTAL	121,983	41,078	206,665			475,178	844,904	86,050

REVENUES								
General Fund	1,790	1,392	405				3,587	
Capital Planning Fund			(2,740)				(2,740)	
Earthquake Safety & Emergency Response Bond #1	120,193	39,686					159,879	
Earthquake Safety & Emergency Response Bond #2			209,000				209,000	
Earthquake Safety & Emergency Response Bond #3						475,178	475,178	
TOTAL	121,983	41,078	206,665			475,178	844,904	
Total San Francisco Jobs/Year	798	269	1,352			3,108	5,526	

Sheriff's Department

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	2,863	3,006	3,157	3,315	3,480	20,192	36,013	584
SPENDING PLAN								
State of good repair renewal - Proposed Uses	1,024	1,236	1,542	1,775	2,000	14,956	22,532	18,560
ADA Transition Plan Improvements - Sheriff's Department			1,216				1,216	
County Jails 3 & 4 Replacement (HOJ)	5,400	3,700	425,900				435,000	
TOTAL	6,424	4,936	428,657	1,775	2,000	14,956	458,748	18,560
REVENUES								
General Fund	6,424	4,936	2,757	1,775	2,000	14,956	32,848	
Capital Planning Fund			(9,100)				(9,100)	
Certificates of Participation			435,000				435,000	
TOTAL	6,424	4,936	428,657	1,775	2,000	14,956	458,748	
Total San Francisco Jobs/Year	42	32	2,803	12	13	98	3,000	



III | Health and Human Services

Health and Human Services

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Health and Human Services Facilities



Health and Human Services Facilities

The table below shows the facilities operated and maintained by the Department of Public Health (DPH) and the Human Services Agency (HSA), which provide direct public health and safety net services to city residents. Leased facilities where the City is responsible for building maintenance are also included in this chapter.

Map ID	Facility	Map ID	Facility
1	Health Center Four	16	Health Center Three
2	Maxine Hall Health Center	17	Southeast Ambulatory Health Center
3	N. of Market Senior Service Center	18	Alemaný Emergency Hospital and Treatment Ctr
4	DPH Central Office (DOC)	19	HSA Children's and Family Health Center
5	Tom Wadell Center	20	HSA CalWorks Offices
6	1360 Mission Street	21	HSA Polk Street Homeless Center
7	San Francisco City Clinic	22	HSA 850 Broderick Street
8	Health Center Five	23	HSA Family & Children's Services Court Office
9	Health Center One	24	ETS-50 Van Ness Ave.
10	Sunset Mental Health	25	HSA 5th Street Homeless Center
11	Laguna Honda Hospital Campus	26	HSA PAES Success Center
12	598 Portola Drive	27, 31	HSA 150 and 170 Otis Street
13	Community Health Network Headquarters	28	HSA FCS Foster Care
14	Caleb Clark Potrero Hill Health Center	29	HSA-Mother Theresa Dinning Hall
15	San Francisco General Hospital Campus	30	HSA-CalWORKs – 1800 Oakdale

The Department of Public Health (DPH) and the Human Services Agency (HSA) operate a broad range of facilities that provide direct public health and social services to city residents. DPH manages two major medical campuses – San Francisco General and Laguna Honda Hospitals (SFGH and LHH, respectively) – which together house 24 facilities. Additionally, DPH operates ten city-owned primary care health clinics. HSA manages eight facilities: three homeless shelters, three children's resource centers, and two administrative buildings. Both departments also provide programs at a number of leased properties where the City is responsible for maintenance and repairs.

Highlights and Accomplishments



SFGH Site Excavation

In March 2010 the City approved the second SFGH Rebuild G.O. bond issuance totaling \$294,695,000. As of Fall 2010, 98 percent of the first bond sale and almost 25 percent of the second has been spent or encumbered. The third bond sale will likely take place in Summer 2011. Significant accomplishments during the last year include the relocation of major utilities; approval of shoring, excavation and structural framing permits; production of seismic base isolators; and the completion of excavation and shoring west of the utility tunnel.

In addition to the Reuibold, the \$24 million SFGH Emergency Generator Replacement project is on schedule, with installation expected to begin in 2011. Replacing the 24 hour steam generators with on-demand diesel ones will save millions of dollars in operating costs per year.

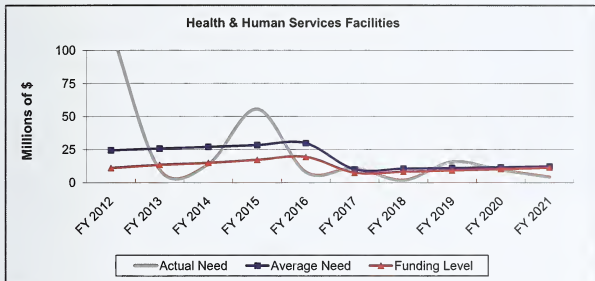
DPH has benefitted from nearly \$2 million in American Recovery and Reinvestment Act (ARRA) Energy Efficiency Community Block Grant funds for HVAC improvements at Southeast, Ocean Park and Chinatown health centers. In addition, the department received more than \$4 million in state grants for capital improvements at Redwood, Sunset Mental, and Silver Avenue health centers. The Silver Avenue project is complete. Construction for both Redwood and Sunset will begin in summer 2011, with completion expected the following summer.

The completion of the Potrero Health Center renovations in December 2010 brings the \$15 million Primary Care Center Modernization Program to a close. This project addressed seismic, accessibility, HVAC and other issues at nearly all of the Primary Care clinics.

DPH received a \$9.5 million grant from the National Institutes of Health (NIH) to expand the AIDS research unit at 25 Van Ness Avenue. Construction is expected to begin in fall 2011.

1. Renewal Program

FRRM projects \$309 million in needs over the next ten years to keep public health and human services facilities in a state of good repair. DPH facilities make up 82 percent of this need. The Plan assumes renewal needs at the San Francisco General Hospital campus will be funded through the proposed November 2016 Public Health Facilities G.O. bond. The \$124 million proposed from the General Fund falls short of needs, thereby adding \$88 million to the existing \$119 million backlog.



The Plan proposes a November 2016 Public Health Facilities G.O. bond, which, beginning in FY 2017, will be the funding source for renewal needs at the San Francisco General Hospital campus. Facilities at SFGH make up 83 percent of DPH's total need. The existing hospital (Building 5), with an average annual renewal need of \$11.3 million, is the most expensive facility to maintain.

HSA's renewal needs total approximately \$5.5 million. Two facilities account for more than three-quarters of this total: 170 Otis and 1235 Misison.

2. Enhancement Program (FY2012 – FY2016)

Proposed enhancements for health and human services facilities within the first five years of the plan are highlighted below.

- **SFGH Rebuild.** This critical project is on schedule and projected to be complete in 2015. Two bond issuances totaling \$470 million remain.
- **San Francisco Office AIDS Renovation (SOAR) Project.** DPH received \$9.5 million in funding from the National Institutes of Health (NIH) to expand the operations of the AIDS Office at 25 Van Ness Avenue. The project includes renovating approximately 17,000 square feet on the first floor. General Fund dollars for building-wide accessibility improvements triggered by the expansion are likely to be needed as well.
- **SFGH Data Center Relocation.** DPH needs to relocate the current data center to mitigate the risk of damage or loss from overhead sewage and steam pipes and make improvements to support the data needs for the new hospital. The Plan currently assumes all funding will come from the SFGH Rebuild. DPH is exploring other funding options as well.

3. Enhancement Program (FY2017 – FY2021)

Almost 52 percent of the \$988 million in health and human services enhancements (excluding San Francisco Housing Authority) is proposed during the second half of the Plan for the following projects, both of which are to be funded with the proposed November 2016 Public Health Facilities G.O. bond. Additional planning to get a better understanding of the future needs and uses of these buildings will be discussed in subsequent plans.



DPH's headquarters from the northeast corner of the intersection of Polk and Grove Streets

- **Seismic Retrofit and Expansion of DPH Administration Building.** Located at 101 Grove, DPH's existing headquarters is seismically unsafe and in need of significant renovations. In addition, DPH currently leases space at 1380 Howard for administrative staff of various programs, including Community Behavioral Health Services. The Plan proposes expanding DPH's administrative offices by building properties adjacent to 101 Grove, which would save \$1.4 million annually by moving staff out of leased space and allow the City to complete the southwest corner of the Civic Center Historic District. These projects are estimated to cost \$210 million.
- **Seismic Retrofit and Renovation of the Existing Hospital (Building 5).** In 2015 when the new hospital is complete, the SFGH Campus Master Plan proposes moving various department functions into the existing hospital, where there will be about 140,000 square feet of vacant space. This will require a seismic retrofit and significant tenant improvements estimated at \$300 million. Additional planning to get a better understanding of the future needs and uses of SFGH campus buildings will be discussed in subsequent plans.

4. Deferred Projects

The proposed ten-year capital plan defers the following investments for health and human services facilities. Previous plans have included renovations to HSA's 150 Otis as a deferred project. However, plans are in place to transform this building into affordable housing, and its capital needs will be addressed through this effort.

- **Remaining SFGH Campus Seismic Upgrade.** The SFGH Campus Master Plan was published last year and outlines the series of necessary campus-wide relocations through 2020, which include the seismic upgrades of Buildings 1, 10, 20, 30, 40, 80, 90, and 100.
- **LHH Seismic Upgrade.** Built in 1924 and designated as a Department Operations

Center (DOC), Buildings A, B and C house functions and staff critical for supporting the hospital in the event of an emergency. Seismic assessments of City buildings following the Loma Prieta earthquake gave these facilities a Seismic Hazard Rating (SHR) of 3. Although this is deferred from the plan, DPH has requested funding for analysis, planning, and preliminary design.

- **Primary Care Clinic for Supportive Housing at 220 Golden Gate.** In 2007 The Tenderloin Neighborhood Development Corporation purchased the Central YMCA building at 220 Golden Gate Avenue to provide affordable housing for the homeless and access to supportive services, including a health clinic on the first floor. DPH has received \$2 million in state-MHSA funding but needs an additional \$1 million for the final build-out of the clinic space.
- **170 Otis Seismic Upgrade.** This building houses HSA's executive offices and program administration. Estimated at \$101 million, the seismic upgrade of this facility is deferred from the ten-year plan.

5. Emerging Needs

The level of capital investment required to meet the following emerging needs are not funded in the Plan but will be reviewed in the subsequent years as additional planning and uncertainty around project-specific issues are resolved.

- **LHH Dialysis Unit.** This project proposes building a new 30-chair dialysis unit in Building H at the Laguna Honda campus to replace the existing non-compliant unit at the SFGH campus. DPH and the Department of Public Works estimate the project will cost \$7.5 million (including furniture, fixtures and equipment [FFE]). By increasing capacity, the new dialysis unit will generate approximately \$500,000 in additional annual revenue. DPH continues to explore financing options and potential public-private partnerships.
- **LHH Facility Master Plan.** To coordinate with the master planning efforts for the SFGH campus, DPH needs \$750,000 to develop a master plan of capital needs at all LHH facilities over the next ten years.
- **LHH Patient Ward Remodel.** Future capital plans will provide more information on the proposed tenant improvements to convert patient wards in Buildings A, B and C into office space.

San Francisco Housing Authority



- SFHA SITES
- HOPE VI SITES
- TARGET SITES

San Francisco Housing Authority

The San Francisco Housing Authority (SFHA) provides housing for very low-income families, senior citizens and persons with disabilities at 46 sites with more than 6,500 units. Five of the 46 sites were recently rebuilt with 1,149 new mixed-income apartments. The oldest housing authority in California, SFHA opened in 1940 and has many developments in need of major capital improvements.

Nearly all of SFHA's funding is from the U.S. Department of Housing and Urban Development (HUD) and rents paid by residents. Residents pay approximately 30 percent of their income for rent. SFHA facilities are listed below.

Map ID	Facility	Map ID	Facility
1	Holly Courts	24	350 Ellis Street
2	Potrero Terrace	25	3850 18 th Street
3	Sunnydale	26	462 Duboce Street
4	Valencia Gardens (Rebuilt)	27	101-103 Lundy's Lane
5	Bernal Dwellings (Rebuilt)	28	320-330 Clementina
6	Westside Courts	29	666 Ellis Street
7	Westbrook Apartments	30	1760 Bush Street
8	Potrero Annex	31	1880 Pine Street
9	North Beach (Rebuilt)	32	4101 Noriega Street
10	Ping Yuen	33	220 Randolph Street
11	Alemaný	34	363 Noe Street
12	Hunters Point A	35	2206-2268 Great HWY & 2215-2263 48 th Ave.
13	Yerba Buena Plaza (Rebuilt)	36	2698 California Street
14	Hunters View	37	25 Sanchez
15	Alice Griffith	38	345 Arguello
16	Rosa Parks	39	491 31 st Avenue
17	Ping Yuen North	40	1750 McAllister
18	Hayes Valley	41	939 Eddy Street
19	J.F. Kennedy Towers	42	951 Eddy Street
20	Mission Dolores	43	430 Turk Street
21	Woodside Gardens	44	Joan San Jule Apartments
22	990 Pacific	45	Robert B. Pitts
23	227 Bay Street	46	Sunnydale/Velasco

Overview

Over the past decade, SFHA has transformed five public housing sites by replacing poorly designed and obsolete high-rise, barracks-style buildings with new apartments while simultaneously adding more affordable housing units. The total cost to rebuild these sites was \$305 million, with \$118.5 million funded through federal HOPE VI grants and \$186 million from leveraged public and private financing. Funding also includes replacement and operating reserves for ongoing improvements and operations.



*North Beach Place Hope VI
Revitalization*

The HUD Capital Fund Program (CFP) is the primary source of funding for renewals and renovation of the SFHA's aging public housing stock. During the last 16 years, funding for renovation, security, resident services and deferred maintenance has decreased 58 percent from the \$24 million received two decades ago. Meanwhile, construction costs have increased, limiting what can be accomplished with each CFP dollar. Continued underinvestment and the aging of facilities compound SFHA's needs: The existing backlog of deferred maintenance totals approximately \$309 million.

During the last fiscal year, SFHA moved forward on a number of key initiatives and policy objectives. Priorities focused on four major areas, including Greening and Environmental Improvements, American Recovery and Reinvestment Act (ARRA), Employment Opportunities for SFHA Residents, and Technology Access.

In February 2009, the Department of Housing and Urban Development (HUD) awarded SFHA with \$17.8 million in formula stimulus funds to address capital needs required by ARRA. In September 2009, HUD awarded an additional \$15.3 million in competitive ARRA funding. Homes for hundreds of families, senior, and disabled citizens will benefit especially from certain aspects of ARRA funding, including \$12.5 million for creating energy efficient, green communities and \$2.8 million for the needs of elderly and disabled residents. All funds have been obligated and the jobs are under contract with a timeline of December of 2011 for completion.

Capital improvements being addressed with ARRA funding include the following:

- Modernization of senior and family developments, including hardwire smoke detector installations; fire alarm system upgrades, accessibility modifications; sidewalk repairs; exterior painting; and common space improvements;
- Concrete restoration; roofing; waterproofing; and paving repairs;
- Exterior and interior stabilization of lead-based paint and site improvements at

family developments;

- Accessibility improvements to apartments and common spaces and elevator upgrades; and
- Vacant unit rehabilitation.

ARRA funding leverages an additional \$27.1 million in private funding that will come in over the next six months for energy conservation capital improvements at various SFHA developments. Major works under construction process include:

- Boiler and hot waterline replacements; heating system improvements; waterproofing and structural repairs; window replacement; exterior painting; security gate and lighting improvements; disability modifications to apartments and common areas; range and refrigerator replacement; asbestos removal; utility line replacement; and site improvements.
- Urgently needed infrastructure improvements, including water main replacement, heating, plumbing, boiler replacements and electrical improvements.

In FY 2007-2008 SFHA began implementing efforts to prioritize maintenance repairs. Staff looked closely at concerns reported by HUD and increased the frequency of routine checkups while reducing the time necessary to complete individual work orders. Other positive, systemic changes include the implementation of an asset management system and a decrease in the number of vacant units.

One of the outcomes of this push is that the city's oldest housing sites saw the greatest improvements in their Public Housing Assessment System (PHAS) scores. PHAS evaluates the physical, financial, management, and resident satisfaction for a particular housing development. HUD uses this information to reward high performers with additional capital funds and fewer physical inspections and penalize troubled performers by referring them to the HUD Department Enforcement Center. As of June 2010, San Francisco's average is above passing. Goals for this year include continuing the ascent and maintaining the high marks over time. Additional information on PHAS can be found at <http://www.hud.gov/offices/reac/products/prodphas.cfm>.

PHAS evaluates the physical, financial, management, and resident satisfaction for a particular housing development. HUD uses this information to reward high performers with additional capital funds and fewer physical inspections and penalize troubled performers by referring them to the HUD Department Enforcement Center.

Underutilized land areas at Rosa Parks, 1750 McAllister and JFK Towers are now available for future development. This reduces immediate capital needs and generates proceeds to rehabilitate future sites through the sale of dilapidated sites and properties too costly to maintain. Also, the SFHA is negotiating with a development team to build up to 100 new apartments for senior and developmentally disabled households on an underutilized portion of the Rosa Parks site. Improvements at the Rosa Parks site will be pursued in conjunction with the development of new housing.

1. Renewal Program

In April 2007 the SFHA completed an assessment of its sites that shows an annual renewal and maintenance need of \$18 million, totaling \$226 million over ten years, assuming continued reuse of all current facilities and annual escalation of five percent. Since SFHA anticipates an annual allocation of \$8 million from HUD CFP to address these needs, an additional \$184 million in renewal projects are deferred from the plan. HUD funding also does not address the existing \$309 million backlog.



*Hunters View Family Public
Housing*

SFHA allocates the \$8 million in HUD CFP funds to (1) ensuring that the most distressed developments remain safe and functional without extraordinarily high maintenance costs and are available for occupancy until they are rebuilt; (2) addressing emergency building and site problems; (3) maintaining the long-term viability of the fundamentally sound developments; and (4) improving the energy efficiency of properties in conjunction with Energy Services Contracting.

2. Enhancement Program (FY2012 – FY2016)

Although there are eight additional obsolete public housing sites identified for enhancement or revitalization, the SFHA does not anticipate more federal HOPE VI funding. Furthermore, the \$8 million renewal allocation from HUD CFP provides less than five percent of the resources needed to fix the backlog at the remaining 38 sites.

In 2006, the Mayor and Board of Supervisors convened a broad-based task force to represent diverse perspectives and to develop a set of principles that would become the HOPE SF Initiative, which will help address this backlog. The result is an effort that seeks to transform eight of San Francisco's most distressed public housing sites into vibrant, thriving communities. HOPE SF will:

- Transform 2,500 severely deteriorated public housing sites into sustainable, mixed-income communities with neighborhood retail, community centers, parks, and playgrounds.
- Replace every public housing unit and add new homes to the eight project sites. The final mix of housing will include public housing, market-rate, and affordable rental and ownership housing.
- Catalyze neighborhood improvements so residents at all income levels can take advantage of new economic opportunities, improved schools, and community amenities.
- Reintroduce each site into the existing neighborhood fabric, ending decades of isolation

from the surrounding community.

Of the eight sites identified, six are either in construction or pre-development. Hunter's View broke ground on infrastructure improvements in 2010, and is slated to begin construction on the first phase of housing in the summer of 2011. Alice Griffith will follow, with infrastructure work to begin at the end of 2012. The other sites in predevelopment - Potrero Annex, Potrero Terrace, Sunnydale-Velasco and Westside Courts, are completing site entitlements and will be in a position to begin construction in 2014 depending on available resources.

3. Enhancement Program (FY2017 – FY2021)

Two additional distressed public housing sites will be identified for investment from bond and/or other sources in the second five years of the planning cycle.

4. Deferred Projects and Emerging Needs

The Housing Authority is currently evaluating the impact of construction cost increases on the overall enhancement program, which may require the deferral of some proposed projects to enable the department to complete work within available funds. The outcome of this review will be reported in next year's capital plan update.

The agency is also seeking funding for enhancement of up to six of the eight sites that require complete revitalization as well as for renewal of sites that will have long term viability with some infrastructure improvements.

Health and Human Services

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	42,593	44,723	46,959	49,307	51,772	300,377	535,730	459,684
SPENDING PLAN								
State of good repair renewal - Proposed Uses	19,213	21,539	23,071	25,350	27,551	87,053	203,778	286,128
ADA Transition Plan Improvements	4,307	7,644	4,573	656			17,180	
Enhancements	326,510	311,087	83,712	79,554	72,121	599,702	1,472,885	1,353,870
TOTAL	350,030	340,270	111,356	105,560	99,672	686,755	1,693,643	1,639,997
REVENUES								
General Fund	29,480	26,192	24,652	21,387	22,932	46,993	171,637	
SFGH and Laguna Honda Bonds	241,000	225,400	1,000				467,400	
Public Health Facilities Bond						510,000	510,000	
Other Local Sources	36,977	37,358	38,133	45,535	51,187	59,327	268,517	
State	16,965	13,745	10,000	9,290			50,000	
Federal Stimulus Funds	9,509						9,509	
Federal	16,100	37,575	37,570	29,347	25,552	70,435	216,579	
TOTAL	350,030	340,270	111,356	105,560	99,672	686,755	1,693,643	
Total San Francisco Jobs/Year	2,289	2,225	728	690	652	4,491	11,076	

Departmental Breakdown **Department of Public Health**

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	19,237	20,198	21,208	22,269	23,382	135,661	241,955	112,041
<u>SPENDING PLAN</u>								<u>DEFERRED</u>
State of good repair renewal - Proposed Uses	9,155	11,056	12,308	14,170	15,969	20,300	82,957	62,630
ADA Transition Plan Improvements - Public Health	4,307	7,644	4,341	656			16,948	
SFGH Rebuild	240,000	221,400					461,400	
San Francisco Office AIDS Renovation (SOAR) Project	10,309						10,309	
Data Center Relocation and Utility Upgrades	1,000	4,000	1,000				6,000	
DPH Administration Building Seismic Retrofit & Expansion						210,000	210,000	
SFGH Building 5 Renovation & Seismic Retrofit						300,000	300,000	
Remaining SFGH Campus Seismic Upgrade							439,770	
Laguna Honda Hospital Seismic Upgrade (Buildings A, B & C)							39,915	
Housing and Urban Health Clinic Relocation (220 Golden Gate)							4,130	
TOTAL	264,770	244,100	17,649	14,827	15,969	530,300	1,087,615	546,446
<u>REVENUES</u>								
General Fund	14,262	18,700	16,649	14,827	15,969	20,300	100,706	
State								
Federal Stimulus Funds	9,509						9,509	
SFGH and Laguna Honda Bonds	241,000	225,400	1,000			510,000	467,400	
Public Health Facilities Bond							510,000	
TOTAL	264,770	244,100	17,649	14,827	15,969	530,300	1,087,615	
<i>Total San Francisco Jobs/Year</i>	<i>1,732</i>	<i>1,596</i>	<i>115</i>	<i>97</i>	<i>104</i>	<i>3,468</i>	<i>7,113</i>	

Human Services Agency

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	5,357	5,624	5,906	6,201	6,511	37,775	67,373	7,323
<u>SPENDING PLAN</u>								
State of good repair renewal - Proposed Uses	2,046	2,471	2,751	3,168	3,570	26,694	40,700	36,109
ADA Transition Plan Improvements - Human Services			232				232	
170 Otis Seismic Upgrade								106,187
171 Otis 3rd Floor Renovation								
TOTAL	2,046	2,471	2,983	3,168	3,570	26,694	40,932	142,297
<u>REVENUES</u>								
General Fund	2,046	2,471	2,983	3,168	3,570	26,694	40,932	
TOTAL	2,046	2,471	2,983	3,168	3,570	26,694	40,932	
Total San Francisco Jobs/Year	13	16	20	21	23	175	268	

San Francisco Housing Authority

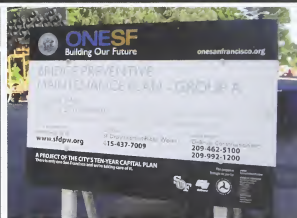
Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	18,000	18,900	19,845	20,837	21,879	126,941	226,402	

SPENDING PLAN

Current Backlog								
Distressed properties								204,182
Non-distressed properties								136,138
State of good repair renewal - Proposed Uses								
HOPE SF	8,012	8,012	8,012	8,012	8,012	40,060	80,120	187,388
Hunters View	75,201	50,954	50,954	34,438	34,438		245,984	763,866
Alice Griffith		34,733	31,758	45,116	37,683	89,702	238,992	
TOTAL	83,213	93,699	90,724	87,566	80,133	129,762	565,096	1,291,574

REVENUES

General Fund	13,172	5,021	5,021	3,393	3,393		30,000	
Other Local Sources	36,977	37,358	38,133	45,535	51,187	59,327	268,517	
State	16,965	13,745	10,000	9,290			50,000	
Federal	16,100	37,575	37,570	28,347	25,552	70,435	216,579	
TOTAL	83,213	93,699	90,724	87,566	80,133	129,762	565,096	
Total San Francisco Jobs/Year	544	613	593	573	524	849	3,696	



IV | Infrastructure and Streets

Streets and Rights-of-Way

Street Repaving Map

Renewal Program

Enhancement Program

Deferred Projects

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The City and County of San Francisco is responsible for operating and maintaining a complex infrastructure network that supports the delivery of critical services to San Francisco residents, businesses and visitors. While the San Francisco Public Utilities Commission (SFPUC) primarily manages underground infrastructure, the Department of Public Works (DPW) focuses on above ground infrastructure such as roadways, sidewalks, landscaping and street structures.

The SFPUC is responsible for providing and distributing water to 2.4 million customers; wastewater treatment, effluent discharge, and biosolids disposal; and supplying electric power to operate Muni streetcars and electric buses, street and traffic lights, and municipal buildings. Under contractual agreement with 28 wholesale water agencies, the SFPUC also supplies water to customers in Alameda, Santa Clara and San Mateo counties.

The City maintains approximately 850 miles of streets and roadways comprising 12,458 street segments or blocks; 37 miles of roadway within the City's Park System; certain special streets such as the Embarcadero and Doyle Drive; sidewalks adjoining City, State and Federal properties; 340 street structures; and more than 35,000 street trees.

Streets Paved 2005-2009



Streets and Rights-of-Way

The Plan proposes \$1.4 billion for renewals and improvements of streets and right-of-way assets managed by the City. These investments include a proposed G.O. bond in November 2011 and a dedicated funding source for street resurfacing, both recommendations of the Street Resurfacing Finance Working Group (SRFWG).

Highlights and Accomplishments

Having exhausted one-time revenue sources to fund street resurfacing, street structures, curb ramps and sidewalks over the past three years, the Mayor and President of the Board of Supervisors asked the CPC to identify and study long-term revenue options and legislative advocacy strategies. SRFWG analyzed 17 options and issued its final report in July 2010. The report emphasizes the importance of identifying a stable, long-term revenue source for street resurfacing. The most viable options include:

- Increasing vehicle license fees, though this would require passage of state legislation currently proposed by State Senator Mark Leno;
- A conditional general tax (e.g. business, sales, utility users tax) that could only be collected if the City spent a certain dollar threshold in the previous year on repaving;
- A citywide benefit assessment district based on the boundaries of a proposed district; or
- A parcel tax, potentially based on vehicle trip generation.

In addition, the City will continue to work on the following long-term state legislative options:

- Raising the state sales/excise tax on gasoline;
- Lowering the voter threshold for approval of transportation-related general obligation bonds; and/or
- Supporting street resurfacing as an eligible use of funds should the City authorize congestion pricing.

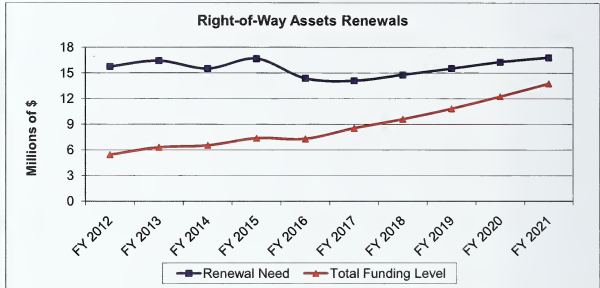
The City is unable to maintain and improve streets and public right-of-way assets by relying on a heavily-tapped General Fund. As a result, the Plan recommends a \$150 million Safe Streets and Road Repair G.O. bond for the November 2011 ballot to address the backlog of street resurfacing needs. The Plan also assumes one of the aforementioned revenue options will be in place within the next three fiscal years.



The SRFWG report
*Between a Pothole
and a Hard Place:
Funding Options for
San Francisco's Street
Resurfacing Program*
can be found at
onesanfrancisco.org

1. Renewal Program

The Plan proposes \$876 million in renewal funding for streets and right-of-way assets. Ninety percent of this is for street resurfacing through the November 2011 G.O. bond as well as a long-term funding source after these funds are expended. The remaining \$88 million goes toward street structures, street trees, irrigation systems and plazas, meeting only 56 percent of the overall need, as the following graph shows.

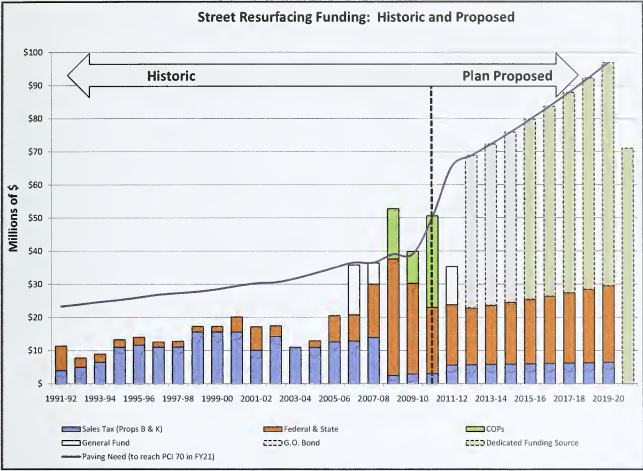


- **Street Resurfacing.** DPW's pavement management strategy is to apply the right treatment to the right roadway at the right time. While new pavements generally remain in good condition for several years, the rate of deterioration increases rapidly after seven to ten years. At approximately 20 years, the surface must be replaced at higher costs. The life of streets can be extended as many as five years through low-cost preventive maintenance, which helps delay the costs of major pavement reconstruction. DPW also repairs the asphalt surface to prevent damage to the concrete base, which is significantly more costly to repair.

The regional agency responsible for transportation planning, the Metropolitan Transportation Commission (MTC) encourages preventive maintenance and other preservation strategies and ties regional funding to preventive maintenance performance. It is critical that the City include and prioritize preventive maintenance treatments to maximize its share of state and federal funds available to the region.

The City's current average pavement condition index (PCI) score is 64. To maintain this PCI, the City must appropriate \$50 million annually from federal, state and local sources, increasing with inflation in future years. To reach an average PCI score of 70 by 2020, the City needs to appropriate almost \$66 million annually. The Plan assumes this level of funding in all but the first year, where proposed funding is only \$35 million.

Investing \$788 million in streets is expected to reduce the backlog by about 30 percent in ten years. The following chart shows both historical and projected funding for street resurfacing.



- Street Structures.** The Roadway Structure Program includes inspection and repairs to City-owned structures such as bridges, tunnels, viaducts, retaining walls, guardrails, and stairways. There are 338 street structures in the City, and DPW maintains 307 of these. DPW has inspected 98 percent of these structures and assigned assessment scores between 0 and 100. The following table summarizes these scores and shows the rating for inspected structures.

Condition	Score Range	Inspected Structures
Poor	0-40	7%
Fair	41-70	30%
Good	71-100	63%

Repairing the City's street structures is estimated to cost \$64 million over the next ten years, including structures in need of replacement. However, due to funding constraints, the Plan can only fund \$27 million or 42 percent of the need.

- Street Tree Maintenance.** DPW is responsible for maintaining approximately 38,000 trees throughout the City. Ideally, mature trees should be pruned every three years to maintain proper and healthy growth and provide ADA-mandated width and headroom

over sidewalks for pedestrians. A three-year maintenance cycle is ideal, but requires \$68 million. As a result of funding constraints, the Plan proposes \$33 million in funding, resulting in a maintenance cycle of more than six years.

- **Street Tree Replacement and Establishment.** On average, the City replaces 375 trees each year as a result of typical tree mortality, disease or vandalism. Once planted, new and replacement trees require frequent watering and re-staking for the first five years in order to foster the root system and promote tree growth. The highest loss rates of young trees happen within the first three years of planting. The Plan proposes \$10 million toward the \$16 million need.
- **Median Maintenance and Irrigation System Repair.** With 68 landscaped medians across the city, irrigation systems require routine maintenance and repairs to prolong their useful lives and keep the landscaping in good condition without the need for costly manual watering. The Plan proposes funding 61 percent of the \$26 million need.
- **Plaza Inspection and Repair.** DPW is responsible for maintaining nine plazas throughout the City. Similar to the programs in place for street structures and sidewalks, DPW plans to begin annual inspections of these public spaces. The Plan estimates inspection and repair costs at \$3.5 million and allocates \$1.6 million for these needs.

2. Enhancement Program

The majority of needs for streets and right-of-way assets are categorized as renewals. The exceptions are the proposed Presidio Parkway (Doyle Drive) and accessibility improvements in the public right-of-way.

- **Presidio Parkway Project.** Constructed more than 70 years ago to provide direct access to the Golden Gate Bridge, Doyle Drive is seismically unsafe and is at the end of its useful life. Other problems that plague the roadway: lanes that are too narrow; no barrier separating opposing traffic flows; and no shoulders for disabled vehicles, maintenance crews, and emergency vehicles. Constructed in 1936 through what was then the Presidio of San Francisco, an active Army installation, an elevated structure was used to meet Army security requirements. The Presidio is now a national park and the Doyle Drive replacement project has been designed as a new parkway.

The Federal Highway Administration (FHWA), the California Department of Transportation (Caltrans), and the Transportation Authority completed a joint environmental impact statement and report (EIS/EIR) pursuant to the National Environmental Policy Act and the California Environmental Quality Act in December 2008. Now envisioned as the Presidio Parkway, construction began on the \$954 million project in 2009 and will be complete in 2013.

More information on the Presidio Parkway Project is available online at www.presidioparkway.org.



Presidio Parkway Project construction underway

- **Public Right-of-Way Transition Plan Improvements (Curb Ramps and Sidewalks).**

Title II of the Americans with Disabilities Act (ADA) requires local entities to develop a transition plan for the public right-of-way. San Francisco's transition plan describes the City's existing policies and programs to enhance accessibility in the right-of-way, including curb ramps and sidewalks. The City is committed to improving curb ramps, sidewalks, street crossings, and roadways and providing accessible paths of travel for people with disabilities. As of September 2010, approximately 62 percent of the more than 11,000 inspected sidewalks have been repaired. DPW performed 15 percent of this work, with private property owners or other agencies repairing the rest. The Plan proposes \$153 million to continue meeting these needs.

The November 2011 Safe Streets and Road Repair G.O. bond includes three years of funding for accessibility improvements in the public right-of-way.

3. Deferred Projects

While the Plan proposes cash investments to meet an increasing percentage of annual renewal needs, it does not provide funds to reduce existing backlogs of deferred maintenance. The Plan also proposes the deferral of several enhancement projects, including Great Streets and Utility Undergrounding.

- **Street Resurfacing.** DPW considers a street eligible for repaving once its PMMS pavement condition index falls below 64. PMMS has identified approximately 6,129 street segments that are in need of renovation. These streets comprise the existing backlog of deferred maintenance, which totals \$395 million. This represents the cost to raise the PCI score of these streets to 100. The funding shortfall in the first year of the

Plan requires the deferral of an additional \$24 million.

- **Recreation & Parks Roads.** The Recreation and Parks Department (RPD) is currently working with DPW to enter road data into its pavement management software and is beginning to inspect its 37 linear lane miles of streets. With accurate data on road conditions, RPD can become a certified pavement management program and apply for additional funding. The costs for grinding and replacing asphalt and basic maintenance (filling potholes, patching, etc.) are estimated at \$45 million.
- **Utility Undergrounding.** According to the Utility Undergrounding Task Force Report, the citywide cost of undergrounding and associated street lighting is estimated at \$3.6 billion over the next 50 years, resulting in an annual cost of \$72 million. The Task Force recommends funding these costs with a future surcharge on utility bills. This project will be updated in subsequent plans as more information becomes available.
- **Great Streets Program.** Although the City anticipates funding from impact fees for streetscape improvements tied to various adopted area plans including Rincon Hill, and Balboa Park, the Plan defers \$494 million in investments for these improvements. The program assumes improving ten blocks per year at \$2 million per block.
- **Better Market Street.** Last upgraded in 1987, Market Street is one of San Francisco's most important thoroughfares. A comprehensive renovation of the street will require an environmental review and extensive interagency coordination. Right-of-way improvements could include roadway base repairs and resurfacing, sidewalk repair, crosswalk reconstruction, curb ramp upgrades, new street trees, and other streetscape improvements guided by the San Francisco Better Streets Plan.
- **Great Highway Long Term Stabilization.** The Great Highway is the north-south corridor that provides access to Ocean Beach, the San Francisco Zoo and the Oceanside Wastewater Treatment Plant. DPW is working with other stakeholders on an Ocean Beach Master Plan to develop priorities for responding to emergency erosion events. The Master Plan will also guide future infrastructure protection and reconfiguration needs. Costs to design and construct a realigned roadway, revised drainage system, and lateral bluff top improvements are estimated at \$11.5 million.
- **Bayview Transportation Improvements (BTI).** This program will implement key segments of the Candlestick Point-Hunter's Point Shipyard transportation plan and create more direct vehicular access routes from U.S. Highway 101 to Candlestick Point and the Hunter's Point Shipyard area. The project will also manage and protect transit routes, and improve circulation within the Southeast community.
- **Irrigation Upgrades.** Proposed upgrades to irrigation systems at several landscaped medians throughout the City are deferred at an estimated cost of \$10.7 million. The Plan proposes investments in these irrigation systems in the form of maintenance; however,

upgrades must be deferred until revenue sources are identified.

- **Islais Creek Bridge.** In 2008 DPW hired a consultant to assess the bridge's condition. The findings identified the need for the painting, rust removal, concrete spall repair, seal water leaks, bridge machine equipment and electrical system upgrades, steel bridge deck replacement and damage repair. Seismic improvements and installation of traffic and pedestrian safety devices are also necessary.
- **HOPE SF Emerging Needs.** As described in the Health and Human Services chapter, the Mayor's Office of Housing (MOH) is seeking to develop eight severely distressed public housing sites into mixed income communities. Funding is in place for the \$56.1 million in public infrastructure needs (including both streets and rights-of-way and public utilities) for the first two sites, Hunters View and Alice Griffith. No funding source has been identified for the \$127 million in public infrastructure needs for the next three sites: Sunnydale, Potrero, and Westside Courts.

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To distribute water to its customers, the SFPUC operates and maintains 24 pipelines and related facilities; 27 pump stations; 29 dams and reservoirs; nine tanks; 11 tunnels; 28 valve lots; two water treatment plants; three yards; and 30 chemical stations. Supporting wastewater services are the City's four water pollution control plants and 56 sewage pump stations (27 in San Francisco, 29 on Treasure Island); six stormwater pump stations; 993 miles of combined sewer, storage and tunnels; 36 combined sewage discharge outfalls, 50 stormwater outfalls on Treasure and Yerba Buena Islands and four effluent outfalls. To provide an adequate and reliable supply of electric power to its customers, the SFPUC operates and maintains the Hetch Hetchy Reservoir, smaller dams and reservoirs, water transmission systems, power generation facilities and power transmission assets, including transmission lines to the Newark substation. It must also satisfy the municipal loads and agricultural pumping demands of the Modesto and Turlock Irrigation districts.

This complex network of facilities and infrastructure is managed by three enterprises within the SFPUC: Water, Wastewater and Hetch Hetchy Water and Power. The table below shows proposed SFPUC expenditures over the next ten years within each division.

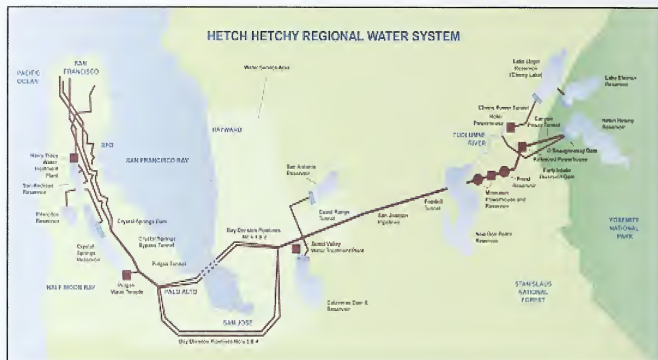
Enterprise (Dollars in Millions)	Total Expenditures
Water	650,063
Wastewater	4,902,338
Hetch Hetchy Water & Power	708,706
SFPUC Total	\$ 6,261,107

Highlights and Accomplishments

The SFPUC continues the installation of new automated digital water meters that give more accurate and frequent higher-resolution meter readings and make monitoring water consumption and detecting leaks much easier. The SFPUC will be the first major water utility in the state to install the technology for all of its retail customers. Approved in April 2010, the \$1.6 billion supplemental appropriation for the Water System Improvement Program (WSIP) fully funded WSIP through completion.

Throughout 2010 the SFPUC held a series of Commission workshops on the Sewer System Improvement Program (SSIP). After endorsing the goals and proposed levels of service, the Commission recommended technical analyses for development and initiation of environmental review for critical wastewater system improvement projects. In May 2010 the Mayor and Board of Supervisors approved a \$348.1 million supplemental appropriation to fund continued wastewater infrastructure improvements pending final approval of the SSIP.

The SFPUC continues the development and implementation of new renewable energy generation and energy efficiency projects. The SFPUC is completing a small hydro-electric project that will capture clean renewable energy from pipelines serving the University Mound Reservoir. Energy efficiency investments are planned for several General



SFPUC – Water Enterprise

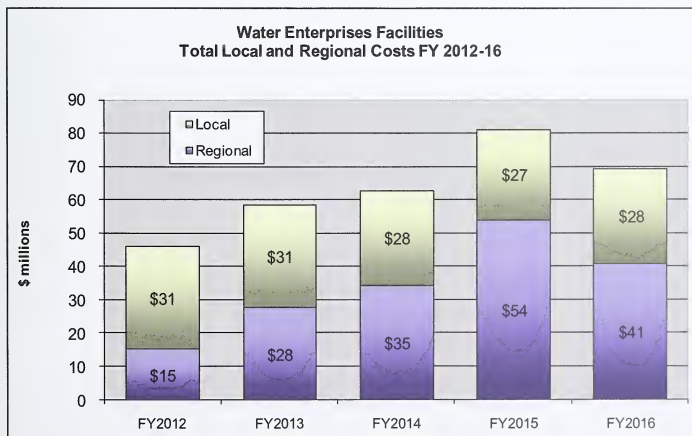
Fund departments to reduce facility operating costs and electric bills, improve system functionality and mitigate the environmental impact of energy use.

An assessment of the City's existing streetlight system – City-owned lights more than 60 years old – is the first step toward developing of a retrofit/replacement program. Also, the SFPUC has begun converting 17,600 City-owned and maintained cobra-head street lights from High Pressure Sodium Vapor to Light Emitting Diode (LED) technologies and installing a smart lighting controls system.

Project costs for the Water Enterprise total \$650.1 million. The following table shows regional and local investments proposed over the next ten years.

Regional	(Millions)
Water Treatment Facilities	24.8
Treatment Facilities	239.6
Water Conveyance	35.9
Regional Water Facilities Maintenance	45.1
Total - Regional	345.4
Local	
Water Conveyance /Distribution System	290.2
Treasure Island	14.5
Total - Local	304.7
Total Water Enterprise	650.1

The graph below shows regional spending at an average of \$34.6 million from FY2012 through FY2016. The local costs, with a five-year average of \$29 million, increase four percent each year over the same period.



A combination of Water Enterprise revenue and revenue bonds are proposed to fund these capital needs; some projects will be deferred if funding is not available.

The Water Enterprise expects to complete the conversion to a new Computerized Maintenance Management System (CMMS) by June 2011. This CMMS will not only be the record of the Water Enterprise's assets, but also provide maintenance requirements and the condition of these assets.

1. Renewal and Replacement Program

Annual funding for the Water Enterprise's renewal and replacement (R&R) program is approximately \$65 million. The proposed R&R program includes investments to keep the water systems operational with the goal of reaching a state of good repair.

- **Water Storage.** This consists of seismic upgrades to existing dams to comply with recommendations from the State Division of Safety of Dams. Upgrades include geotechnical work, installation of monitoring systems and modifications to spillways and outlet structures.
- **Regional Water Watersheds: Right-of-Way Management.** The purpose of this program is to protect the areas impacted by water system operations. Projects include repair and replacement and construction of roads, fences or trails. For example, the Water Enterprise is replacing two bridges on Alameda Creek to reduce environmental impacts and allow year-round watershed access to facilities.
- **Regional Water Treatment Facilities.** This consists of major upgrades to treatment facilities to achieve a higher level of performance. Projects include chemical dosage upgrades, flow monitoring, valve and pump replacement, chemical handling upgrades, power upgrades, systems to control discharges, process control equipment to meet more stringent drinking water regulations, and seismic improvements. These upgrades are needed to ensure adopted levels of service are maintained including drinking water quality and environmental criteria.
- **Regional Water Renewal & Replacement: Water Conveyance Facilities.** This will provide funding for new, expanded or upgraded facilities, ground and watershed infrastructure. Projects include pipeline inspections and repairs, pipeline replacement, corrosion control and pump station upgrades. These improvements are required to maintain the adopted service levels.
- **Operations Facilities Upgrades.** Major upgrades to the Millbrae and Sunol Yards are required to maintain operations and maintenance efficiencies. Projects at Millbrae include replacing several buildings, building a new maintenance shop and equipment

storage building, and renovating the main administration building. Projects at Sunol include replacing the maintenance shops, equipment storage building, fueling center and administration building.

- **Local Water Conveyance & Distribution.** This program will replace existing water distribution, feeder and transmission mains in San Francisco with ductile iron pipes. Deferring replacement increases the number of pipe breakages and failures. This, in turn, leads to property and street damage, service disruption, and potential public health and safety threats. Main replacements or retrofits are prioritized based on several criteria: break history, age and soil conditions. The goal is to replace pipes older than 100 years. To reduce failure, the planned miles of water pipe replacement will increase from seven miles in FY 2012 to 12 miles in FY2016.
- **Treasure Island.** On October 1, 1997, concurrent with the operational closure of Treasure Island Naval Station, the City entered into a Cooperative Agreement with the Navy in which the City agreed to take responsibility for caretaker services on Treasure and Yerba Buena Islands. Since the signing of the agreement, the SFPUC has been providing utility operations and maintenance services to the potable water system. Costs to the Water Enterprise over the ten-year period include a new water pump station in Oakland, repairs to two reservoirs, a new 12-inch water line from Oakland to Treasure Island, and a new chlorine station. These projects provide a secondary source of potable water and increase water storage capacity on the island.



The Wastewater Enterprise (WWE) is responsible for protecting public health and the San Francisco Bay and Pacific Ocean water environment by collecting and treating storm and sanitary flows. Assets include 993 miles of combined storm and sanitary collection system pipes, sewer mains, storage structures and tunnels.

Southeast Water Pollution Control Plant	Chavez/Army Circle Lift Station
Bruce Flynn Pump Station	Geary Expressway Lift Station
Oceanside Water Pollution Control Plant	Sunnydale PS & Transport
Westside Pump Station	Rankin Wet Weather Lift Station
Zoo Wet Weather Lift Station	Richmond Chemical Station
North Point WWF & North Shore Pump St	Berry Pump Station
Channel Pump Station & Transport	Richmond Transport
Southeast Booster Pump Station	North Shore Transport
Griffith Pump Station	Islais Creek Transport
Hudson Avenue Pump Station	Westside Transport
Mariposa Pump Station & Transport	Marina Transport
Palace of Fine Arts Pump Station	Jackson Transport
Pine Lake Pump Station	Yosemite Transport
Sea Cliff #1 Pump Station	Hunters Point Transport
Sea Cliff #2 Pump Station	900 Miles of Sewers
Tennessee Pump Station	3 Ocean/Bay Outfalls
20th Street Pump Station	36 Overflow Structures
Merlin/Morris Pump Station	Southeast Community Facility

The WWE is currently developing the Sewer System Improvement Program (SSIP), a long-term capital plan outlining strategies to improve wastewater infrastructure. The ten-year capital plan shows \$4.9 billion in Wastewater needs.

1. Renewal and Replacement Program

The Wastewater renewal program (R&R) includes two major categories – sewer replacements and treatment facilities – and is estimated to cost \$43.4 million in FY 2012 and increase to \$546 million by FY 2021.

- **Sewer Replacements.** Historically, the WWE has replaced approximately four miles of sewers each year at an annual cost of about \$12 million. The goal is to accelerate the current 200-year replacement rate until the sewers are replaced once every 100 years. The estimated annual budget beginning in FY 2012 is approximately \$32.7 million.
- **Treatment Facilities.** The treatment facilities renewal program includes projects to keep the Wastewater systems operational with the goal of reaching a state of good repair. Projects include planned renewals and replacements at WWE treatment plants and pumping facilities. The estimated annual budget for this program beginning in FY 2012 is approximately \$10.7 million.

2. Capital Improvement Program (FY2012 – FY2021)

The ten-year plan proposes investments totaling nearly \$4.4 billion for capital improvements to the sewer system. The capital improvements are categorized under the Capital Improvement Program and SSIP.

WWE CIP	FY 2011-12	FY2012-13
Odor Control		
Southwest Plant Odor Control	6,000,000	0
Treatment Facilities		
Facility Reliability Improvements	19,250,000	0
Facility Security/Emergency Response	8,000,000	5,000,000
Major Electrical/Mechanical Reliability	5,000,000	4,000,000
Oceanside Solids Handling	6,800,000	0
Southeast Solids Handling	7,000,000	4,060,000
Total	46,050,000	13,060,000
Pump Stations		
Bayside & Westside Pump Stations	1,020,000	10,000,000
North Shore to Channel Force Main	15,000,000	5,000,000
Total	16,020,000	15,000,000
Sewer/Collection System		
Aging Sewer Replacements	12,200,000	0
Cesar Chavez Sewer Phase 2	250,000	11,200,000
Richmond Drainage Phase 2	3,000,000	5,000,000
Sewer Hydraulic Improvements	6,361,400	0
Sewer Staff Facility Improvements	1,250,000	1,000,000
Sunnydale Auxiliary Phase 2	3,000,000	0
Vactor Waste Staging Area	1,200,000	0
Total	27,261,400	17,200,000
WWE CIP Total	95,331,400	45,260,000

- **Wastewater Capital Improvement Program (CIP).** The Plan includes improvements to Wastewater facilities during the next two fiscal years for projects that will become part of the CIP. The WWE CIP provides funding for projects that address the most critical needs of the aging wastewater system, improve the capacity of sewer mains, upgrade treatment facilities and reduce wastewater odors. The table below lists the projects that are not part of SSIP.
- **Sewer System Improvement Program.** The 20-year SSIP evaluates the current treatment and collection system, outlines a long-term wastewater and stormwater management strategy, and identifies capital improvements necessary to ensure reliable services meet all regulatory requirements.

The Plan proposes more than \$4.2 billion in WWE investments focusing on projects in the following categories:

- » **SSIP Planning.** This includes condition assessments, field studies, facility inspections, alternative evaluation, low impact design, outfall repairs, environmental review, and public outreach and education.
- » **Odor Control.** Projects focused on minimizing and/or eliminating odors from treatment plants and sewer collection system.
- » **Treatment Facilities.** The Plan proposes funding for improvements at the Southeast, Oceanside and North Point Treatment Plants and the planning, design and construction of the Bayside Biosolids Project, which includes a new digester and solids facility in the southeast area of the city.
- » **Pump Stations.** These projects include upgrades and equipment replacement at the various pump stations in the collection system for operational reliability and odor control.
- » **Sewer/Collection System.** This includes funding for the Channel Tunnel Project, which will provide the requisite redundancy for the 66-inch Channel Force Main. The Channel Tunnel will transport dry and wet weather flows from the Channel and North Shore Drainage Basins to the Southeast Wastewater Treatment Plant. In addition, this category includes flood mitigation and the replacement of aging sewers.
- » **Redevelopment of Treasure and Yerba Buena Islands.** On October 1, 1997, concurrent with the operational closure of Treasure Island Naval Station, the City entered into a Cooperative Agreement with the U.S. Navy in which the City agreed to take responsibility for caretaker services on Treasure Island and Yerba Buena Island. As a result of this agreement, the SFPUC provides utility operations and maintenance services for the wastewater and stormwater systems. Projects at Treasure Island include replacing pumps and electrical equipment in five storm lift

stations, repairing several sections of the sanitary sewer force main, and retrofitting the existing treatment plant. Once City ownership is established, a new wastewater facility will be designed and constructed.

1. Renewal and Replacement Program

Totaling \$568.1 million, the renewal and replacement program investments are entirely for the Hetchy Water Enterprise.

- **Communications and Security Renewals.** The SFPUC proposes communications and security investments over the next ten years to address critical communication needs at the remote powerhouses and meet Western Electricity Coordinating Council (WECC) / North American Electric Reliability Corporation (NERC) requirements. Specific projects include developing a new microwave communication system, and installing a multi-fiber communication link from Moccasin to Modesto by the end of FY 2012. The new fiber communications system will serve as the primary system for Hetchy, and the microwave system will be the back-up. Overall, these investments will improve system reliability.
- **Reservoirs/Dams.** Capital investments in reservoirs and dams over the next ten years include improvements at Priest, Moccasin and Cherry Reservoirs. In addition, the SFPUC will perform a condition assessment of all dams in the Hetchy System to identify necessary improvements.
- **Water Transmission.** Investments over the next ten years include the rehabilitation of the San Joaquin pipelines, Mountain Tunnel lining, Kirkwood Penstock, Moccasin Penstock, Holm Penstock and the O'Shaughnessy Outlet Works; an assessment of Coast Range Tunnel; and the replacement of Canyon Tunnel. Hetch Hetchy will continue assessments of remaining water transmission facilities.
- **Power Infrastructure.** The Plan proposes repair and replacement investments for the power system's exciters, governors, breakers, transformers, and protection and controls systems that have reached the end of their life cycles. Projects include installing high-voltage circuit breakers for the Early Intake Switchyard and digital governors at Kirkwood and Holm.
- **Facilities/Roads/Rights-of-Way.** This is a multi-year project to renew and/or replace the infrastructure required for operating and maintaining the Hetch Hetchy Water delivery and transmission systems. The Plan includes investments for rehabilitating roads and bridges and upgrading existing or constructing new support structures and facilities. These improvements will allow Hetchy to meet California Building Code (CBC) requirements and address life-safety issues.

2. Capital Program (FY 2012 – 2021)

The capital improvement program for the Power Enterprise totals \$140.6 million.

- **Streetlighting.** Hetchy provides power to all of San Francisco's 43,000 streetlights and maintains the 24,000 owned by the City. It also coordinates and funds the maintenance of the 19,000 streetlights owned by Pacific Gas & Electric (PG&E). Focusing on City-owned lights over 60 years old, the SFPUC is assessing the existing system and developing a retrofit/replacement program.

- **Transmission and Distribution.** Transmission and Distribution (T&D) projects address the SFPUC's ability to assess and develop City-owned transmission and distribution assets as well as evaluate its reliance on assets owned by a third-party. Projects support the SFPUC's responsibility to provide long-term electric reliability options and services for the City. Projects include the following:
 - » A condition assessment of existing third-party T&D systems, construction and ownership of new T&D systems and renewal and replacement of existing systems.
 - » Transmission studies related to the economic and environmental feasibility of an underwater cable from Newark substation to San Francisco, and, the feasibility of transmission upgrades from Newark to Warnerville substation. The purpose of these studies is to determine the most cost effective way of delivering Hetchy power to San Francisco consistent with examination of issues such as local San Francisco reliability, addressing aging infrastructure, and potential partnership opportunities with other entities.
- **Generation/Renewables.** In accordance with City policies and directives to increase renewable energy and reduce greenhouse gases, the Power Enterprise is continuously developing and implementing new renewable generation resources. The Capital Plan proposes a series of small municipal solar projects, development and installation of small wind projects, and studies leading to the development and implementation of an Ocean Power Project. The SFPUC is installing a small hydro project to capture clean renewable energy from Hetch Hetchy Water System pipelines that serve the University Mound Reservoir. The Plan provides funding for the GoSolar program administered by Power Enterprise that provides a City incentive payment towards non-municipal solar projects in San Francisco.
- **Energy Efficiency.** Energy efficiency improvements are an important component of an electric utility's resource portfolio. These investments reduce facility operating costs and electric bills for customers, improve system functionality, and reduce the environmental impact of energy use. The Plan proposes funding for lighting and mechanical system efficiency upgrades. These investments are consistent with State policies that place emphasis energy efficiency and that support greenhouse gas reduction.
- **Treasure Island.** The Cooperative Agreement mentioned in the previous sections also requires the SFPUC to provide utility services at Treasure and Yerba Buena Islands for the electrical and natural gas utility systems. The SFPUC has developed a plan to create a public power utility on each island. Electric redevelopment projects include replacing a submarine cable that runs from Oakland to Treasure Island, constructing a new underground 12-kV distribution system on both islands and in Oakland, and building a new Oakland substation.

Infrastructure & Streets

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
<u>SPENDING PLAN</u>								<u>DEFERRED</u>
Streets & ROW								
State of good repair renewal - Streets & ROW	40,734	169,120	30,181	31,887	86,949	517,085	875,956	494,450
Public Right-of-Way Transition Plan Improvements	12,909	35,277	5,448	5,290	14,042	79,756	152,723	
Enhancements - Streets & ROW	4,187						4,187	1,569,939
Presidio Parkway, Doyle Drive Replacement Project	212,700	137,900					350,600	
Subtotal	270,530	342,298	35,629	37,177	100,991	596,841	1,383,466	2,064,389
SFPUC								
Water Enterprise	46,017	58,623	62,854	81,199	69,287	332,083	650,063	
Wastewater Enterprise	190,060	269,318	253,043	500,245	948,661	2,741,011	4,902,338	
Hetch Hetchy Water and Power Enterprise	69,265	41,386	123,531	112,996	65,305	296,223	708,706	
Subtotal	305,342	369,327	439,428	694,440	1,083,253	3,369,317	6,261,107	
TOTAL	575,871	711,625	475,057	731,617	1,184,244	3,966,158	7,644,572	2,064,389
<u>REVENUES</u>								
General Fund	21,623	3,067	3,244	4,277	12,719	87,532	132,462	
Other Local Sources	45,167	29,123	6,124	6,229	60,558	353,211	500,412	
Prop K Funding	17,238	16,889	5,996	5,627	5,851	33,006	84,606	
Safe Streets and Road Repair Bond		170,000					170,000	
State	108,079	97,039	27,785	28,564	19,383	110,693	391,543	
Federal	88,414	27,880	3,680	3,680	3,680	18,400	145,734	
SFPUC Revenues	295,350	367,627	405,078	656,740	1,076,253	3,356,317	6,157,365	
TOTAL	575,871	711,625	451,907	705,117	1,178,444	3,959,158	7,582,122	
<i>Total San Francisco Jobs/Year</i>	3,766	4,654	2,955	4,611	7,707	25,893	49,587	
TOTAL SHORTFALL			(23,150)	(26,500)	(5,800)	(7,000)	(62,450)	
To be funded with debt, additional revenues, and/or deferring expenditures								

Departmental Breakdown Streets & Rights-of-Way

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	81,284	85,235	87,762	92,513	94,018	539,636	980,449	
DEFERRED								
SPENDING PLAN								
Current backlog								
Roads								394,827
Recreation & Parks Roads								45,300
Street Resurfacing	35,285	162,814	23,646	24,513	79,646	462,099	788,003	23,513
Curb Ramps (ADA Right of Way Transition Plan)	6,235	16,015	1,058	923	6,413	36,784	67,428	
Sidewalk Inspection and Repair Program (SIRP)	6,674	19,262	4,390	4,367	7,629	42,972	85,295	
Street Structures	1,340	1,911	1,995	2,607	2,066	16,886	26,804	16,744
Street Tree Maintenance	2,231	2,406	2,589	2,694	2,929	20,644	33,494	6,154
Street Tree Replacement and Establishment	935	942	815	803	869	6,025	10,389	2,647
Median Maintenance and Irrigation System Repair	885	981	1,057	1,171	1,317	10,236	15,647	4,443
Plaza Inspection & Repair	57	66	79	99	122	1,194	1,618	823
Presidio Parkway: Doyle Drive Replacement Project							350,600	
Utility Undergrounding	212,700	137,900						
Great Streets Program	3,227						3,227	720,000
Belter Market Street								494,109
Great Highway Long-Term Stabilization	960						960	11,528
Bayview Transportation Improvements								48,779
Islais Creek Bridge								69,525
Broadway Tunnel								12,985
Irrigation Systems Upgrade								10,701
Hallidie Plaza Improvements								2,750
TOTAL	270,530	342,298	35,629	37,177	100,991	596,841	1,383,466	2,064,389
REVENUES								
General Fund	21,623	3,067	3,244	4,277	12,719	87,532	132,462	
Other Local Sources	45,167	29,123	6,124	6,229	60,558	353,211	500,412	
Prop K Funding	17,238	16,889	5,996	5,627	5,851	33,006	84,606	
Safe Streets and Road Repair Bond		170,000					170,000	
Slate	108,079	97,039	17,785	18,564	19,383	110,693	371,543	
Federal	78,423	26,180	2,480	2,480	2,480	12,400	124,443	
TOTAL	270,530	342,298	35,629	37,177	100,991	596,841	1,383,466	
Total San Francisco Jobs/Year	1,769	2,239	233	243	660	3,903	9,048	

SFPUC: Water Enterprise

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
SPENDING PLAN							
Regional Costs							
Water Treatment Facilities	7,750	1,750	1,750	1,750	1,750	10,000	24,750
Water Conveyance		15,700	23,800	43,700	30,700	125,700	239,600
Watershed/Right of Way Management	4,400	5,600	4,400	4,000	4,000	13,500	35,900
Regional Water Facilities Maintenance	3,170	4,660	4,560	4,560	4,560	23,600	45,110
Regional Total	15,320	27,710	34,510	54,010	41,010	172,800	345,360
Local Costs							
Water Conveyance / Distribution System	24,172	25,138	26,144	27,189	28,277	159,283	290,203
Treasure Island	6,525	5,775	2,200				14,500
Local Total	30,697	30,913	28,344	27,189	28,277	159,283	304,703
TOTAL REGIONAL & LOCAL	46,017	58,623	62,854	81,199	69,287	332,083	650,063
REVENUES							
Water Revenue Bonds	30,697	30,913	23,842	39,483	25,003	80,640	230,578
Water Revenue	15,320	27,710	39,012	41,716	44,284	251,443	419,485
TOTAL	46,017	58,623	62,854	81,199	69,287	332,083	650,063
Total San Francisco Jobs/Year	301	383	411	531	453	2,172	4,251

SFUC: Wastewater Enterprise

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
<u>SPENDING PLAN</u>							
Sewer System Improvement Program Planning	19,300	31,225	27,285	20,500	18,000	90,000	206,310
Odor Control	6,000	5,000	5,000	10,000	10,000	50,000	86,000
Treatment Facilities	69,790	96,745	91,849	375,441	489,063	1,613,790	2,736,678
Pump Stations	16,020	15,725	1,500	2,000	3,625	40,600	79,470
Sewer/Collection System	75,950	119,523	123,039	86,841	389,733	886,529	1,681,615
Treasure Island	3,000	1,100	4,370	5,463	38,240	60,092	112,265
TOTAL	190,060	269,318	253,043	500,245	948,661	2,741,011	4,902,338
<u>REVENUES</u>							
State			10,000	10,000			20,000
Wastewater Revenue Bonds	154,077	230,075	203,597	447,367	903,828	2,485,458	4,424,403
Wastewater Revenue	35,983	39,243	39,446	42,878	44,833	255,553	457,935
TOTAL	190,060	269,318	253,043	500,245	948,661	2,741,011	4,902,338
Total San Francisco Jobs/Year	1,243	1,761	1,655	3,272	6,204	17,926	32,061

SFPUC: Hetch Hetchy Water and Power

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
<u>SPENDING PLAN</u>							
Hetchy Power							
Streetsight	8,930	1,259	11,574	394	2,489	23,308	47,954
Transmission/Distribution		1,830	3,385	1,000			6,215
Renewable/Generation	4,900	4,200	3,700	3,200	3,200	10,000	29,200
Energy Efficiency	6,045	2,612	2,112	812	650	3,250	15,481
Treasure Island			3,900	10,550	5,800	10,500	30,750
525 Golden Gate	11,000						11,000
Hetchy Power Total	30,875	9,901	24,671	15,956	12,139	47,058	140,600
Hetchy Water							
Communications/Security/Miscellaneous	10,500	3,500	1,500	500	500	3,000	19,500
Reservoirs/Dams	800	300	2,300	2,120	2,000	13,415	20,935
Water Transmission	7,750	14,000	30,000	30,700	25,000	207,750	315,200
Power Infrastructure	13,340	10,685	26,560	26,220	19,166	6,000	101,971
Facilities/Roads/Right of Way	6,000	3,000	38,500	37,500	6,500	19,000	110,500
Hetchy Water Total	38,390	31,485	98,860	97,040	53,166	249,165	568,106
TOTAL	69,265	41,386	123,531	112,996	65,305	296,223	708,706
<u>REVENUES</u>							
Federal -Clean Renewable Energy Bonds (CREBs)	1,700	1,700	1,200	1,200	1,200	6,000	13,000
Hetch Hetchy Revenue Bonds/Water Only & 45% Joint Assets	14,073	16,510	48,485	47,115	29,875	163,843	319,901
Hetch Hetchy Revenue	45,201	23,176	50,696	38,181	28,430	119,380	305,064
Federal - 525 Golden Gate - QEGBs	8,291						8,291
TOTAL	69,265	41,386	100,381	86,496	59,505	289,223	646,256
Total San Francisco Jobs/Year	453	271	656	566	389	1,892	4,227
Shortfall			(23,150)	(26,500)	(5,800)	(7,000)	(62,450)
To be funded with debt, additional revenues, and/or deferring expenditures							



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The City owns and operates the eighth-largest public transportation system in the United States and one of the world's 30 busiest airports. The San Francisco Municipal Transportation Agency (SFMTA) is the principal multi-modal agency responsible for planning, implementing and operating transportation services in the City and County of San Francisco. The SFMTA Board of Directors oversees MUNI and bicycle/pedestrian planning, serves as the Parking Authority, and regulates taxi services. Within San Francisco, the SFMTA maintains and operates nine subway and 24 surface light rail stations; 6.6 miles of subways and tunnels; 71.5 revenue track miles for rail operations and 8.8 miles of track miles for cable car operations; 219.9 miles of overhead wires; a rolling stock of nearly 2,000 buses, light rail vehicles, trolley coach buses, cable cars, historic street cars, paratransit vans, and other support vehicles; 40 off-street parking garages and lots; 19 operational, maintenance and administrative facilities; 25 power substations; and numerous traffic signals, signs, parking meters, bike lanes, duct banks, and transportation information and communications networks.

The San Francisco International Airport occupies approximately 5,171 acres, almost half (2,383 acres) of which has been developed for Airport use. The Airport includes four runways, 78 operational gates, four terminal buildings, 32 miles of roadways, five parking garages, the AirTrain transit service, a rental car facility, leased cargo and maintenance facilities, a waste treatment plant, and more than 274 miles of pipelines, ducts, power, and pump stations for water, sewage, storm drainage, industrial waste, gas, electrical, and telecommunications distribution systems.

San Francisco is also a member (along with San Mateo and Santa Clara counties) of the Peninsula Corridor Joint Powers Board (JPB) which operates Caltrain. This regional rail service operates seven days a week, with 29 locomotives and 110 passenger cars serving 32 stations along the 77.2-mile route between San Francisco, San Jose and Gilroy. Within San Francisco, the JPB maintains ten bridges, five tunnels, one layover facility, and several miles of rights of way, signalization, and communications systems.

Highlights & Accomplishments

In 2010, the SFMTA installed an Automatic Fare Collection system on the bus fleet and subway stations (including readers for the Clipper regional fare card); replaced rail on the J Line and the rail junction at St. Francis Circle (K and M MUNI Metro lines); implemented a number of pedestrian safety projects and established the Walk First project to identify a network of key streets for prioritizing pedestrian safety improvements; piloted SFpark, a parking management technology program focused on upgrading the on street parking system; designed the Automated Train Control System (ATCS) Management Center network upgrade, a component of the Central Control and Communications System (C3); relocated utilities for the Central Subway (Moscone Station and Subway Portal) and received Federal Transportation Authority approval to enter Final Design; constructed the Geneva Historic Streetcar Enclosure; and initiated a renewal program to rehabilitate its fleet and maintain transit service levels. The Bicycle Plan court injunction was also lifted, allowing for the numerous projects identified in the 2009 Bicycle Plan to begin to be implemented.

Over the next ten years, the SFMTA expects to complete the Central Subway (a 1.7-mile extension of the Third Street Light Rail Project linking Visitación Valley with Union Square and Chinatown); implement the Transit Effectiveness Project recommendations and the remaining projects in the Bicycle Plan; construct a new motor coach facility at Islais Creek; continue implementing a series of intelligent transportation system improvements (including NextMuni, SFgo, SFpark, and Clipper); and continue its efforts to upgrade, replace or rehabilitate its rolling stock, rail lines, overhead wires, radio systems, and traffic signals.

A significant accomplishment of the Airport is the near completion of the renovation of Terminal 2. In 2008, due to growth in domestic passenger traffic from low cost carrier airlines, the Airport embarked upon a \$383 million design-build engineering and construction project to convert Terminal 2 Boarding Area D from a ten-gate international widebody aircraft terminal to a 14-gate domestic narrowbody aircraft terminal. The renovation project includes modifications to the terminal building's interior space such as hold rooms, concession space, and baggage claim areas along with building systems and upgrades to the arrival and departure levels. The Terminal 2 renovation project will be completed in the spring of 2011.

Over the next ten years, the Airport will modify each of the four runways and some existing taxiways in a \$230 million, federally mandated Runway Safety Area (RSA) project; construct a replacement 216-foot Air Traffic Control Tower and integrated base building between Terminals 1 and 2; and initiate several new terminal improvement projects to benefit the traveling public, such as reconfiguration of security areas in Terminal 1 and Terminal 3; construction of a Secure Connector between Terminal 2 and Terminal 1; and the next phase of work to improve domestic terminal facilities in Terminal 1.

The City also expects to complete a number of interagency and inter-regional projects including the design and construction of two dedicated Bus Rapid Transit lanes along Van Ness Avenue and Geary Boulevard; the electrification of Caltrain and the northern terminus for high-speed rail; the replacement of the South Access to the Golden Gate Bridge with a new Presidio Parkway; and the replacement of the old Transbay Terminal at First and Mission Streets downtown. In August 2010 the City, Caltrans, and the Transbay Joint Powers Authority opened the Temporary Transbay Terminal and began demolition of the old Terminal where the new Transbay Transit Center and associated towers will soon begin construction.



San Francisco Municipal Transportation Agency

The San Francisco Municipal Transportation Agency (SFMTA) has short-term and long-term processes in place to prioritize its capital needs, including its Strategic Plan, this citywide Capital Plan, the 20-year Short Range Transit Plan (S RTP), a 25-year capital program included in the 2009 Regional Transportation Plan (RTP), the Transportation 2035 Plan for the San Francisco Bay Area, a federally-required plan for the Central Subway New Starts Criteria Report, and a Capital Asset Management System under development. Together with a number of new efforts to improve the identification and prioritization of capital needs, these efforts have resulted in a systematic prioritization of the 165 capital projects planned for completion over the next 20 years (FY 2012 through FY 2031).

The SFMTA's Capital Plan is organized into the following programs:

- **Fleet.** The rehabilitation and replacement of transit vehicles, including both transit revenue vehicles used to transport transit passengers (motor coaches, trolley coaches, light rail vehicles, historic streetcars, cable cars, and paratransit vans) as well as non-revenue vehicles used to support the revenue fleet and system infrastructure (e.g., parking and traffic functions).
- **Infrastructure.** The rehabilitation, replacement and modification of tracks, communications, transit and traffic signals, trolley and light rail overhead, transit stations, bicycle and pedestrian network improvements, cable car systems, as well as ADA-mandated Key Stops, accessibility improvements, and transit preferential streets.
- **Facilities.** Development and management of indoor and outdoor space for the operation, maintenance, administration, and storage needs required to support SFMTA operations, including the improvement and preservation of 40 parking facilities.
- **Equipment.** The replacement and acquisition of such essential devices as rail grinders, video cameras, computers, and other tools needed for the continued operation of SFMTA's operating, maintenance, and administrative functions.
- **Transportation Projects.** In addition to the projects above, the SFMTA is also involved in a diverse set of transportation projects that are largely focused on the effective functioning of multiple transportation modes. These include bicycle, pedestrian, traffic calming and parking management programs, including the improvement of signs and signals as well as support for information technology-based programs such as SFpark and SFgo.

It is anticipated that a fully revised 20-year SFMTA Capital Plan for FY 2012-2031 will be presented to the SFMTA Board for approval in Spring 2011. The 20-year Capital Plan will



Muni is the largest public transportation system in the region (based on ridership), the eighth-largest in the United States and one of the most diverse in the world.

take a number of key factors into account when assessing potential projects, including the mode, type of project and goals and criteria that have been used to prioritize the agency's capital needs.

SFMTA's total unconstrained capital need for the aforementioned 165 projects is \$8.4 billion dollars over the next 10 years. This need greatly exceeds the projected capital revenues of \$3.3 billion dollars (40 percent of the total need), leaving a projected capital shortfall of almost \$5.1 billion dollars over this period.

Infrastructure projects represent the majority (54 percent) of the needs, followed by fleet (20 percent), facilities (16 percent) and equipment (10 percent). In terms of modal categories, transit projects dominate capital needs (over 80 percent), while parking and traffic projects comprise just over 10 percent. Planned capital work is evenly split between replacement (32 percent), rehabilitation (31 percent), and expansion (27 percent), with about 10 percent for enhancement projects. On the revenue side, the majority of the \$3.3 billion in identified capital funding comes from federal sources (72 percent), with the remaining from state (12 percent) and local (16 percent) sources.

The SFMTA has undertaken a number of strategies to address the projected budget shortfall, including new initiatives facilitated by the passage of Proposition A in November 2007 (which provided SFMTA with greater governing authority and additional funding); revenue-generating strategies, such as advertising and increased fees; and the option to issue bonds. If additional revenues fail to be generated over the coming years, some projects may need to be deferred beyond the 10-year horizon of this Plan.

Since the American Recovery and Reinvestment Act (ARRA) was approved in February 2009, the SFMTA has secured more than \$90.9 million in ARRA funding for 17 capital projects. The majority of this funding has been dedicated to Preventive Maintenance (25 percent of all ARRA funding), Motor Coach Component Life-Cycle Rehabilitation (17 percent), LRV Truck Rebuild (13 percent), and Fare Collection Equipment Replacement (12 percent).

20-Year Capital Plan Update

The SFMTA has initiated an update of its 20-year Capital Plan, last adopted in June 2008. A significant change will be to restructure the prioritization process to ensure consistency with the SFMTA Strategic Plan and recent financial challenges. The new plan will take into account a number of factors impacting capital investments, such as reauthorization of federal transportation legislation (SAFETEA-LU); state legislation and regulatory requirements; regional transportation and air quality plans; climate action goals; and citywide plans and initiatives.



Cable Car Turnaround Repairs

As part of this planning effort, the SFMTA completed its first comprehensive Capital Asset Inventory, refined the implementation plan for the Transit Effectiveness Project's (TEP) capital needs, included the transit expansion needs identified in the 2009 Transit Fleet Management Plan, conducted a call for new capital projects, and took steps to increase collaboration, efficiency, and transparency in the planning process.

1. Renewal Program

In 2006, the SFMTA initiated a Capital Asset Management Program, integrating asset management and inventory concepts with the planning, improving, budgeting and prioritizing of capital projects. The goal is to identify all capital assets presently owned and used by SFMTA, determine their lifecycles, identify any existing gaps, and use this information to define which assets may be leveraged or developed to support current and future operations. The program covers all types of capital assets, from public transit and parking facilities to transit stations, rail/track/guideways, vehicle fleets, systems, and equipment. Key findings from the initial asset inventory include:

- The total value of SFMTA capital assets exceeds \$13 billion;
- Most of the agency's assets are currently within standard design life;
- There exists a \$2.2 billion backlog of deferred investment, based on asset age;
- Replacing and overhauling the agency's vehicles represents 30% of the next 20 year's capital needs; and
- The average annual State of Good Repair (SGR) need is \$510 million, including eliminating the current backlog.

Based on currently identified needs over the next decade, the SFMTA projects that it will only have enough funding to perform some of the renewal and repair projects necessary to maintain current transportation service levels. Those renewal projects the SFMTA expects to deliver by FY 2021 include: ongoing cable car renovation and historic streetcar rehabilitation; initiation of the next round of motor coach and trolley coach replacements; farebox replacements; final implementation of automatic fare collection systems (e.g., Clipper); rail replacement projects; overhead line rehabilitation; expansion of the NextMuni automatic vehicle locator service; numerous facility safety improvements; replacement of the maintenance lifts at Flynn Yard; and studies of access improvements for the Balboa Park and Glen Park station areas.

Renewal projects that have only a fraction of their identified needs funded include the fleet overhaul and facilities modernization programs.



One of 86 new diesel-electric hybrid buses purchased in 2007.

Based on its 30-year Expenditure Plan for Proposition K funding, the SFCTA allocates an average of \$4.7 million to SFMTA for Parking and Traffic renewal and repair programs for various signal, sign, and striping projects. These local sales tax funds support maintenance and upgrades of signals and other traffic control devices, including wiring for pedestrian signals, new signal mast arms, raised flashing pavement lights, bike facility markings and signs, transit lane markings and some replacement of red light photo enforcement equipment. While the SFCTA has allocated less than \$4.7 million in annual funding during the initial years of the 30-year plan, it will allocate annual amounts greater than \$4.7 million in future years.

Major Renewal Program initiatives include the following:

- **Fleet Replacement.** Over the coming years, the SFMTA will procure a number of motor coaches and trolley coaches including the replacement of 60 New Flyer trolley coaches in FY 2015. Similarly, the procurement of motor coaches will allow 45 buses to be replaced in 2015.
- **Traffic Signal Replacement.** This program provides for the replacement and upgrade of the deteriorated or obsolete signal hardware for over 1,100 signalized intersections, including controllers and foundations, vehicle and pedestrian signal heads, poles, conduit, pull boxes, wiring and loop detectors. Additional program goals include modifying signal operations to improve safety and efficiency, and installing signal mast arms to improve visibility.
- **SFgo.** This citywide intelligent transportation management system gathers real-time information on current transit and auto traffic flow and congestion, processes and analyzes this information, responds to changes in roadway conditions, provides transit signal priority, and disseminates information to the general public. SFgo aims to manage traffic congestion in the city and improve the overall effectiveness of the transportation system. It will significantly improve obsolete and deteriorating traffic signal communications facilities, and will implement a number of Intelligent Transportation System (ITS) technologies.

- **Overhead Line Reconstruction/Replacement.** Reconstruction of the Overhead Catenary System (OCS) including replacement of trolley wires, overhead special work, and deteriorated support poles.

- **Rail Replacement.** This program will keep light rail and historic streetcar operations safe and operational. One key project will replace worn out special track work for K and M Lines with replacement of exclusive K-Line tracks north of a single crossover that is to be installed on Junipero Serra Boulevard. Another major project under this category will replace track for the N and J Lines on Duboce



Muni Metro East Light Rail
Vehicle Facility

Avenue, between Church and Noe streets and on Church between Duboce and Market streets.

- **Central Control and Communications (C3) and Radio Replacement.** The C3 program is comprised of several projects for systems replacements, facility and communication upgrades for the existing facility, enhancements to an interim location, and construction of a primary Central Control facility. The SFMTA has embarked on a program to replace its obsolete radio system with a state-of-the-art, wireless system featuring mobile and handheld radios, mobile data terminals and will interface from new mobile radios to vehicle on-board power, control and communications systems.
- **Cable Car Infrastructure Rehabilitation.** Cable car infrastructure (including cables, motors, and vehicle detectors) needs to be renewed and replaced while maintaining the historic integrity of the system. This entails upgrading the direct current (DC) motor drives and associated equipment previously installed to reduce maintenance, improve reliability, safety and quality for the city's cable car lines. Three key projects now underway include: propulsion system controller replacement for the entire system, inspection hatch cover replacement, and California Street Line replacement of the communication/data cable and related essential rehabilitation work.
- **Wayside Train Control.** This program ensures that all trolley and rail systems for wayside signaling, switching, and automatic routing are maintained in a state of good repair to ensure safe operations. Signal improvements are routinely coordinated with rail replacement projects, such as those at St. Francis Circle, in the Sunset Tunnel, and at the Church and Duboce intersection.
- **Facilities.** Many of SFMTA's facilities require significant renovation to bring them up to modern standards. At this time, SFMTA is in the process of assessing the state of its systemwide facilities and based on existing conditions and needs, will develop a Facilities Plan in 2011 that provides an updated road map for the renewal and expansion of facilities in the medium to long-term.

2. Enhancement Program (FY 2012-2021)

Major capital projects that will expand or enhance current assets and the current level of service include:

- **Central Subway (Third Street Light Rail Phase 2).** The Central Subway is the highest priority transit project for San Francisco and the single largest capital project in the SFMTA Capital Plan. It consists of a 1.7 mile extension of the existing Third Street light rail line to Chinatown, beginning with surface rail north from King Street along Fourth Street and continuing in subway under Fourth Street north of Bryant Street. The rail line crosses beneath Market Street and proceeds north, under Stockton Street and the Stockton

road tunnel, to a terminus at Stockton and Jackson Streets. The approved alignment recommends a surface stop at Fourth and Brannan, and three underground subway stations, at Moscone Center, Market Street/Union Square and Chinatown. In 2008, the project's environmental document was certified, and the Federal Transit Administration granted a Record of Decision. In early 2010, utility relocation began along the route with tunnel construction due to commence in 2012. The project is slated to open at the end of 2018 and is expected to carry over 77,000 daily riders by 2030.

- **Metro East Light Rail Vehicle Facility.** This new facility, located on a 13-acre parcel bounded by 25th Street, Illinois Street, Cesar Chavez Street and Louisiana (part of the former Western Pacific Railroad site), allows for the storage, maintenance, and operation of up to 80 light rail vehicles (LRVs). It is needed to support the new Third Street Light Rail line and to relieve overcrowded conditions at the Metro Green Facility, SFMTA's other light rail maintenance facility. This facility has been partially occupied, but specialized equipment is needed to provide a full range of vehicle maintenance services.
- **Islais Creek Motor Coach Facility.** SFMTA plans to replace the Kirkland Motor Coach Division (built in 1950) with a new motor coach facility located along the northern shore of Islais Creek. The new yard will be located on 8.4 acres of land bounded by Cesar Chavez Street, Indiana Street, Interstate 280, and Islais Creek. It will feature parking for 165 of SFMTA's 40-foot alternative fuel vehicles and 19 non-revenue vehicles, three buildings including 16 service bays, as well as facilities for operations and maintenance, administration, fuel and wash.
- **Transit Preferential Streets (TPS).** This program, which was originally identified in the City's Transit First legislation of 1973, includes the design and implementation of a variety of low- to medium-cost treatments to improve transit vehicle flow. Program elements include exclusive or semi-exclusive transit lanes, colored or textured surface treatments, signal timing priority for transit vehicles (SFgo), bus bulbs, stop relocation, and the replacement of stop signs with signals. Priority corridors have been identified by the Transit Effectiveness Project (TEP), including Market Street, 19th Avenue, Potrero Avenue, outer Mission Street, and Stockton Street. In addition, the Geneva Avenue TPS Corridor is a critical link in the southeastern part of the City – it includes a number of potential short and mid-term improvements consistent with Geneva Avenue's long term development plans. SFMTA will coordinate with other planning efforts and local community groups in order to secure grants for further corridor improvements.
- **NextMuni.** An Automated Vehicle Locator (AVL) system on Muni (also known as NextMuni) has been expanded to include an increasing number of transit stops on the network. Vehicle tracking equipment has been fitted on all revenue modes, including motor coaches, trolley coaches, light rail vehicles, historic streetcars and cable cars.

The SFMTA recently contracted to expand the system with 367 additional information display signs and other enhancement work. This program allows customers to access estimated vehicle arrival information on their computers via the Internet (www.nextmuni.com), at the regional 311 number and through mobile telephones.

- **Clipper®.** The Metropolitan Transportation Commission (MTC) and the Bay Area's transit operators have worked together to implement the Clipper fare collection system regionwide. Clipper is a contactless smart card with stored value capabilities. When used, it automatically deducts the correct fares, while keeping track of transfers and discounts. After an initial trial period, Clipper was accepted for payment throughout the SFMTA transit system, except for cable cars, in 2009. By mid-2011, Clipper will allow the SFMTA to replace its many paper passes and other fare media with this smart card technology. SFMTA is also exploring other applications, such as Clipper use at key parking garages or for taxis in San Francisco.
- **SFpark.** SFpark is SFMTA's new approach to parking management. The goal is to use policies and technologies to better manage demand for the City's finite parking supply. It also makes it easier and more convenient to find parking, while reducing circling for parking as well as double parking. SFpark helps to reduce congestion, and greenhouse gas emissions, while allowing for better circulation of transit and emergency vehicles. In the summer of 2010, San Francisco began to test a full array of parking management techniques and technologies when new parking meters were introduced in Hayes Valley. This program is being expanded to other areas, such as the Mission, South of Market (SoMa), the Financial District, and Civic Center. Program elements include new parking meters that accept credit/debit cards, in-pavement sensors that provide real-time data on parking usage, and demand-responsive pricing, to allow the SFMTA to provide real-time information about where parking spaces are available, both on-street and in garages and lots.
- **Pedestrian and Traffic Calming Projects.** Pedestrian improvements that are committed within the next decade include repair or reconstruction of curb ramps on the path of travel to key transit stops and stations, expansion of the accessible (audible) pedestrian signal program, and installation of additional pedestrian countdown signals. Traffic calming projects install devices such as speed humps and traffic circles to slow traffic and discourage neighborhood cut-through traffic. Curb bulb-outs and other safety improvements are also funded near several schools.
- **Signals, signs, and ITS projects.** In the coming years, a number of new signals and signs are scheduled to be added to city streets and tied into the SFgo project. In addition, various ITS projects are slated to be added, including traffic monitoring cameras, parking guidance signs, and transit signal priority.



Clipper smart card technology



Bicycle lane on Market Street

3. Deferred Projects

Unless additional funding can be secured, a number of important capital projects will need to be deferred beyond the next 10 years. While the federal economic stimulus (ARRA) of the past two years has helped, it will most probably be terminated in 2011, once again leaving the SFMTA with a budget gap on a number of projects. Potential deferred projects include:

- **Mid-life Rebuilds of the Fleet.** Motor coaches, trolley coaches, and light rail vehicles all require mid-life rebuilds in order to attain the required usable life and maintain adequate vehicle availability throughout that period. Funding priorities for federal transit capital dollars in the region do not give priority for mid-life rebuilds, and funding availability is limited.
- **Shop Equipment Program.** Deferred need for the acquisition and replacement of the equipment needed to support all aspects of SFMTA's operations and maintenance functions. A significant backlog of equipment needs exists due to the lack of capital grants available for equipment replacement.
- **Signs, Signals, and Striping.** Although funding from Prop K is available for some programmatic repair and maintenance, significant sign and striping needs are still unfunded.

4. Emerging Needs

In addition to the renewal and enhancement programs mentioned previously, there are a number of other efforts underway that will help the agency to better identify and plan for its capital needs. These efforts support the SFMTA's shift toward a sustainable mobility framework centered on providing greater accessibility to alternative modes of transportation to the private automobile, including transit, taxis, rideshare, carshare, pedestrian and bicycling.

Emerging projects include:

- **Transit Effectiveness Project (TEP).** This project was the first comprehensive review of San Francisco's transit system in more than 25 years. It was an 18-month project designed to review, evaluate, and make recommendations on the existing transit system, with the goal of making service more attractive to the public and lowering operating costs. After a lengthy public outreach effort, in 2008 the SFMTA Board endorsed TEP service recommendations to address the challenges of changing travel patterns, increasing costs, and operational and physical constraints that affect on-time performance. While the focus of the plan was on mid-range improvements (three to seven years in the future), recommendations were also made for short-term actions. The TEP also analyzed other

capital needs, such as changes to the type and size of vehicle fleets, which are slated to be incorporated into both the City and SFMTA capital plans as they are developed. In the coming years, the SFMTA will also integrate about \$200 million in capital projects recommended by the TEP into these plans. It is estimated that more than half of this investment will be needed for improvements to transit stops (e.g., shelters and customer information) and bus infrastructure, including new overhead trolley wiring. In addition, the TEP Enhanced Plan seeks to strategically bolster transit by increasing service, adding key extensions and improving regional connections, such as the historic streetcar extension to Fort Mason and the extension of the M line to Daly City BART.

- **Bicycle Program.** The Bicycle Plan aims to provide a safe and attractive environment for promoting bicycling as a viable travel mode. The Bicycle Plan includes a policy document; new design guidelines for a wide range of bicycle facilities; and a revised Bicycle Route Network that emphasizes expansion and refinement of the existing Bicycle Route Network. Due to a court injunction introduced in 2006, the Bicycle Plan and any related physical improvements were put on hold, however, in June 2009, the Bicycle Plan was approved by the SFMTA Board of Directors and the Bicycle Plan's Environmental Impact Report was certified by the San Francisco Planning Commission. Subsequently, the court injunction was gradually lifted, allowing for the implementation of bicycle projects in 2009 and 2010. At this point, the SFMTA has implemented a number of the more than 60 bicycle projects listed in the Plan.
- **Pedestrian Program.** SFMTA's Pedestrian Program promotes safety and convenience for walkers, develops new policies and tests a number of innovative technologies and approaches to further these goals. San Francisco was the first city to receive federal approval for the citywide use of pedestrian countdown signals, now operating at over 980 intersections within San Francisco. The Pedestrian Program continues to advance safety and will be installing continental crosswalks to improve visibility at many of its non-signalized intersections. Additionally, the Program will be increasing the "red zones" or no parking zones near crosswalks to improve crosswalk visibility. Ongoing and past projects include the testing of flashing in-pavement crosswalk lights, adding and improving pedestrian refuge areas, and the citywide conversion of crossing warning signs to brighter fluorescent versions. In 2008, the SFMTA and a number of other City agencies released the Draft Better Streets Plan. This is an innovative effort to provide detailed design guidelines and policies toward a safer, more sustainable and accessible pedestrian environment. In December 2010, the Board of Supervisors unanimously passed the Better Streets Plan and the Mayor signed the legislation amending the Administrative, Public Works, and Subdivision Codes.
- **Eastern Neighborhoods Transportation Implementation Planning Study (EN TRIPS).** SFMTA is leading a multi-agency partnership with the Planning Department and the San Francisco County Transportation Authority that is expected to minimize

transportation impacts by identifying key transit-oriented, pedestrian-friendly infrastructure projects timed to support growth in the Eastern Neighborhoods over the next 20 years. It will study the transportation network of San Francisco's Eastern Neighborhoods (East SoMa, the Mission, Showplace Square/Potrero Hill and the Central Waterfront) together with surrounding high-growth areas of Western SoMa, Transbay Transit Center District, Rincon Hill and Mission Bay. Its study area is roughly bounded by Market Street (to the north), Guerrero (to the west), Cesar Chavez (to the south) and the bay (to the east). Most of the City's new residential and commercial growth over the next 20 years will occur within this area. EN TRIPS will uniquely focus on developing and designing implementation-ready projects and programs that address multiple transportation themes, including transit, bicycles, pedestrians, traffic, parking and goods movement.

The Board of Supervisors identified a short list of priority Eastern Neighborhoods Early Start Capital Projects deemed critical to support land use changes. EN TRIPS is expected to address the following key projects: Folsom Street Redesign (including possible two-way conversion); 16th Street Corridor Transit Improvements (including the extension of the 22-Fillmore trolley line to Third Street); and Townsend Street Pedestrian Improvements. The outreach and public input process for EN TRIPS will also identify other key projects to address through the EN TRIPS study.

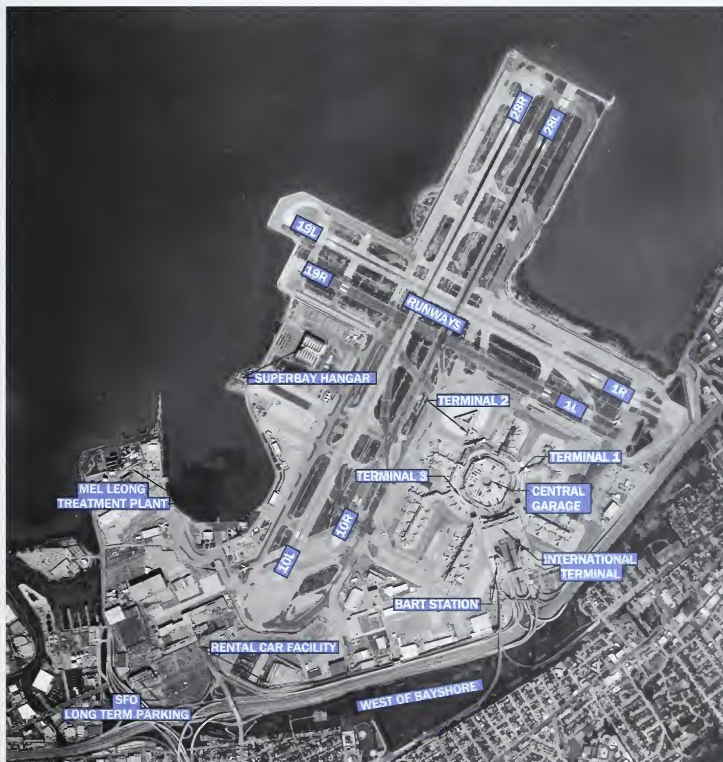
5. Interagency Projects

In addition to the projects described above, the SFMTA is working with other public agencies to coordinate several interagency projects including Bus Rapid Transit, Caltrain renewal and improvement, Better Neighborhoods plan implementation, and urban planning initiatives at Candlestick Point/Hunters Point, Treasure Island and Park Merced. See the Interagency Initiatives section for more information.

San Francisco International Airport



San Francisco International Airport





San Francisco International Airport occupies approximately 5,171 acres within unincorporated San Mateo County, 2,383 acres of which have been developed for Airport use. The Airport manages four runways, 88 operational gates and four terminal buildings in addition to 32 miles of roadways, five parking garages, the AirTrain transit service, a rental car facility, leased cargo and maintenance facilities, a waste treatment plant, and more than 274 miles of pipelines, ducts, power, and pump stations for water, sewage, storm drainage, industrial waste, gas, electrical, and telecommunications distribution systems.

A. Airport Capital Planning Process

The Airport is committed to long-term infrastructure planning and annually updates its 5-Year Capital Plan, which serves as the foundation for the 10-year Capital Improvement & Facilities Maintenance Plan. The plans are developed through an extensive annual review process involving participation from senior Airport staff, the Airport Director, the Airlines, the Airport Commission, and the Airport Financial Advisory Committee, which includes the Deputy City Controller, the Director of the Controller's Office of Public Finance, and members from the financial services industry.

Airport Commission Capital Planning Policies govern the advancement, implementation, and management of capital projects profiled in the 5-year and 10-year Capital Plans. The Capital Planning Policies provide strategic guidelines for the Airport capital program regarding:

- The responsibilities and authority of the Airport Commission, the City Administrator, the Board of Supervisors and the Controller's Office;
- Airline review and approval of capital projects;
- Federal tax limitations on the use of revenue bond proceeds;
- The process for the ongoing development and updates to the Capital Plans;
- All potential sources of funding, including Bonds, Grants, Passenger Facility Charges, and other revenues; and
- Management of the capital program.

B. Airport Plan Highlights

The FY 2012-2021 Capital Plan continues the major efforts that were initiated in prior plans and includes new capital projects to meet the needs of airlines and passengers. Because of the continuing weak economy and the need to remain competitive in the marketplace, the Airport is carefully reviewing all capital project commitments. Fortunately for the Airport, passenger enplanements have continued to rise, with a 4.8% increase in FY2009/10 and forecast growth of 2.5 percent for FY 2011. The FY 2011 forecast airline cost per enplanement (CPE), the standard Airport expense metric, is \$14.42, which is 27% lower than the post 9/11 FY 2003 CPE of \$19.62.

The 10-year, \$1.1 billion Capital and Facilities Maintenance Plan (Airport Plan) includes the following projected requirements:

- \$1.0 billion in capital improvement projects spanning the ten-year period. The Plan continues funding the \$203 million Runway Safety Area (RSA) Improvement Program initiated in 2007 and scheduled for completion in 2015.
- \$121.4 million in facilities maintenance projects to cover the cost of non-routine maintenance and repair projects over the next ten years. These needs are annually approved and funded as operating budget projects within the Facilities Division.
- \$27.4 million in deferred facility maintenance projects over the coming ten-year period. These items are assigned a less urgent priority and are separately identified from those in the renewal budget. Deferred maintenance items are typically re-categorized as facilities maintenance projects based upon regularly scheduled assessments for asset condition and remaining useful lives.

The Airport Plan identifies the following funding sources to meet the projected \$1.0 billion 10-year infrastructure needs:

- \$571.3 million in revenue bond funds
- \$311.0 million in federal and state grants
- \$112.0 million in passenger facility charges
- \$94.0 million in operating funds
- \$7.0 million in other funding sources funds, such as interest income.

In this capital plan, the Airport is continuing various high priority projects, including:

- **Runway Safety Area (RSA).** The RSA project is a federally mandated project to add runway safety areas at all airports by December 31, 2015. The Federal Aviation Administration (FAA) will fund 75 percent of this project. Over a six year period, this

Passenger Enplanements

2008/09:	18.2M
2009/10:	19.1M
2010/11	19.6M (est.)

Passenger Growth

2008/09:	(0.8%)
2009/10:	4.8%
2010/11:	2.5% (est.)

Cost per Enplanement

2002/03:	\$19.62
2008/09:	\$13.80
2010/11:	\$14.42 (est.)



Rendering of Terminal 2
Renovation Project

\$203 million project will adjust the available takeoff and landing distances on each of SFO's longer east-west runways (10L-28R and 10R-28L), shift the runways and install Engineered Materials Arresting Systems (EMAS) on the shorter north-south runways (runways 1L-19R and 1R-19L), and relocate various taxiways, airfield structures, facilities and utilities to make way for the planned improvements.

- **Air Traffic Control Tower (ATCT).** The Airport is constructing a new 216-foot air traffic control tower and integrated base building between Terminals 1 and 2 to replace the existing FAA tower in Terminal 2. The replacement tower will provide air traffic observation capabilities comparable to the existing tower. The old tower will be removed within six months after the completion of the new tower. The FAA and the Airport have entered into an Other Transaction Agreement (OTA) that will fund up to \$79.9 million of the cost for the new tower. The Airport will commit \$21.2 million for the demolition of the existing control tower and \$13.6 million for construction of ATCT integrated facilities, a base building with FAA offices and corridors connecting Terminal 1 and Terminal 2. The Airport and the FAA have forged a commitment to expedite this project, as construction is tentatively scheduled to begin by 2012.



Airbus A380 Taxiing

In the FY 2012 – 2021 Capital Plan, the Airport is initiating several critical continuing and new terminal improvement projects which will benefit the traveling public and continue the long term planning process for domestic terminal facilities in Terminal 1:

- **Terminal 3 Boarding Area E Renovations.** This \$40.3 million project started in FY 2009/10 will improve and upgrade the structural, mechanical, telecommunications, electrical, and special systems as well as refurbish Boarding Area E to extend the service life of this terminal facility by an additional ten years.
- **Secure Connector between Terminal 1 and Terminal 2.** This two-year \$11.8 million project constructs a secure bi-directional connector for passengers travelling from Terminal 1, Boarding Area C, and Terminal 2. This new project is adjacent to and associated with the new Air Traffic Control Tower integrated facility and will provide passengers with the ability to make flight connections without having to exit and re-enter security checkpoints.
- **Terminal 1 Boarding Area C Entrance Reconfiguration.** This project will expand checkpoint stations in Boarding Area C in Terminal 1; relocate retail and concession stands from pre-security to post-security; and reconfigure the concourse area in coordination with the Air Traffic Control Tower and Integrated Facilities base building. This \$11.8 million project will maximize the use of space in order to meet new Transportation Security Administration (TSA) initiatives for passenger security screening, significantly

increase passenger through-put, and provide a safer and more pleasant travelling experience.

- **Terminal 3 Boarding Area F Checkpoint Reconfiguration.**

This \$7.1 million project reconfigures and expands the checkpoint stations in Terminal 3 Boarding Area F, which is necessary due to new TSA requirements. The project will convert two separate checkpoint areas to one consolidated 10-lane checkpoint area, remove some existing ticket counters and install a new queuing area, eliminate three existing post-security concessions on the western side of the current checkpoint, and add 2,465 square feet of new post-security concession space.



Mobile Command Post

- **Terminal 1 Complex Master Architect.** The capital plan includes \$10.9 million project for a Master Architect to develop 15 percent designs for a new Terminal 1. At a later date, as necessitated by demand for gates and/or building condition, SFO will complete bridging documents to reach 45 percent design and construct a new Boarding Area B in Terminal 1.

1. Renewal Program \$121.4 Million (FY2012-2021)

The Facilities Division determines Airport facility maintenance requirements using the City's Facilities Resource Renewal Model (FRRM) for buildings and general support and uses other dedicated systems to assess asset renewal life cycles for airfield support structures, pavement infrastructure, and Airport utilities.

An estimated \$121.4 million will be required to fund facilities maintenance and renewal projects over the next ten years. These repair and renewal projects are funded through each year's annual operating budget while capital improvements are often multi-year endeavors that are financed with capital funds. The \$94.0 million for which funding is planned does not include projects that are identified as deferred maintenance. Approximately \$27.4 million is identified as unfunded deferred maintenance and this amount is shown in the accompanying financial projections as a funding shortfall. Deferred maintenance is categorized as projects that are temporarily delayed based upon Airport priorities and the availability of resources.

The Airport considers renewals to be general repair and replacement of building systems, such as a roof repair. Most of the projects for the Airport are enhancements, including runways, taxiways, and fire systems because of their complexity, scale and scope. These projects increase the asset's value, take several years to complete, and usually require

2. Enhancement Program \$1.0 Billion (FY2012-2021)

- **Airfield.** \$295.8 million to install runway safety areas (RSAs), overlay, reconstruct, and improve common landing areas, runways, taxiways, ramps, aprons, adjacent infield areas, and related support facilities, including:
 - » Airfield Improvements. \$15.8 million to reconstruct various airfield areas, including airfield perimeter security fencing, video surveillance systems, perimeter lighting and other security systems;
 - » Taxiways – \$12.2 million to reconstruct taxiways, vehicle service roads, upgrade and replace airfield infrastructure, and improve airfield markings;
 - » Airfield Capital Equipment – \$1.9 million to replace aging vehicles, generators, and other capital equipment;
 - » Runways – \$51.0 million for overlay and reconstruction of Runway 1L-19R, Runway 28R-10L and Runway 28L-10R;
 - » Airfield Utilities – \$14.2 million for Surface Movement Guidance Control System improvements and upgrades to airfield power and telecommunications infrastructure; and
 - » Runway Safety Area Improvement Program – \$200.7 million to design and construct runway safety areas and related improvements.
- **Airport Support.** \$250.4 million to expand and improve areas and facilities which support airline functions (e.g. hangars, aircraft maintenance facilities, etc.) and government installations (e.g. FAA, FBI, Post Office), including:



New Air Traffic Control Tower

- » New Air Traffic Control Tower – \$94.1 million to construct a new Air Traffic Control Tower, demolish the existing control tower and build integrated facilities;
- » Noise Insulation Program: \$7.4 million to support federal grant programs for minimizing the impact of aircraft noise in the communities surrounding the Airport.
- » Suberbay Hangar Facility Improvements: \$17.8 million to replace components of the fire suppression system and replace the rolling doors;
- » Security Improvements – \$27.1 million to replace the Access Control System, expand

the Security Access Office, upgrade rolling gates at the U.S. Coast Guard Facility, and construct an Airfield Operations Facility;



*Secure Connector from
International Terminal to
Terminal 3*

- » Airport Support Facility Improvements – \$81.5 million to rebuild and enhance facilities that are scheduled to be renewed, including baggage handling systems and explosive detection systems;
- » Technology Systems Improvements – \$17.1 million to upgrade and replace existing technology assets that will become either physically or functionally obsolete and to expand newer technology systems that have become mainstream operating standards for conducting business.
- » Support Equipment – \$3.7 million to replace specialized vehicles for aircraft rescue and firefighting, marine rescue watercraft, and construct an emergency marine response facility.
- » Americans with Disabilities Act (ADA) Improvements – \$1.8 million to fund improvements for disability access and general public accommodation.
- **Groundside.** \$66.4 million to rebuild, seismically reinforce, and enhance roadways and parkways, courtyards, fences, bridges, the AirTrain system, the Rental Car Center, public parking lots, and garages, including:
 - » Viaduct Improvements – \$8.3 million for Phase 2 of the project to reinforce the main roadway connecting the terminals;
 - » Public Parking Lot/Garage Improvements – \$11.8 million to rebuild and enhance parking facilities;
 - » Roadway Improvements – \$26.2 million to rebuild and expand roadways; and reroute utilities;
 - » AirTrain Improvements – \$17.3 million to upgrade and replace AirTrain system components, ancillary facilities infrastructure and equipment and the closed circuit television system;
 - » Freeway Signage Improvements – \$0.8 million to complete the replacement of aged signage on freeway ramps with new units that provide greater functionality, are energy efficient, and require less maintenance;
 - » Expressway Ramp Improvements – \$0.2 million to construct a grade-separated ramp near the Airport Rental Car Center for connecting San Bruno Avenue southbound

traffic to Highway 101; and

- » Groundside Support Systems – \$1.7 million to replace the existing taxi revenue system.

- **Terminals.** \$166.5 million to rebuild and upgrade areas within the terminal complex, such as the Airport concourses, boarding areas, pedestrian bridges, lobbies, offices, including:



Installation of electrical conduits

- » Terminal 3 Boarding Area E Renovations – \$26.9 million to complete structural, mechanical, electrical, and special systems improvements as well as refurbishments for Terminal 3 Boarding Area E, extending the service life of this terminal facility by an additional ten years;
- » Terminal Facility Renovations – \$70.1 million to install terminal safety improvements, implement domestic terminal systems infrastructure improvements, replace aged equipment, and enhance and upgrade various terminal building systems and structures;
- » International Terminal Common Use Systems Improvements – \$14.0 million to replace selected hardware and software with the system capable to process passengers and baggage throughout the International Terminal Building. This project also modifies and refurbishes the International Terminal Building passenger check in counters and boarding gate podiums and will upgrade the overhead information systems and passenger processing electronics to complete a full refurbishment; and
- » Escalator, Moving Walks and Elevator Improvements – \$14.1 million to replace terminal escalators, moving walks and elevators.
- **Utilities.** \$219.5 million to rebuild water systems, sewage and industrial waste systems, storm drainage systems, central plant systems, and telecommunications systems, including:
 - » Power and Lighting System Improvements – \$61.8 million to replace airfield power and lighting systems and supporting infrastructure;
 - » Wastewater System Improvements – \$68.8 million to replace drainage and sewage systems and construct a new industrial waste processing facility within the Mel Leong Treatment Plant;
 - » Storm Drain Improvements – \$15.2 million to replace sections of the storm drain network;
 - » Central Plant Improvements – \$29.8 million to implement energy-efficient upgrades to central plant systems;

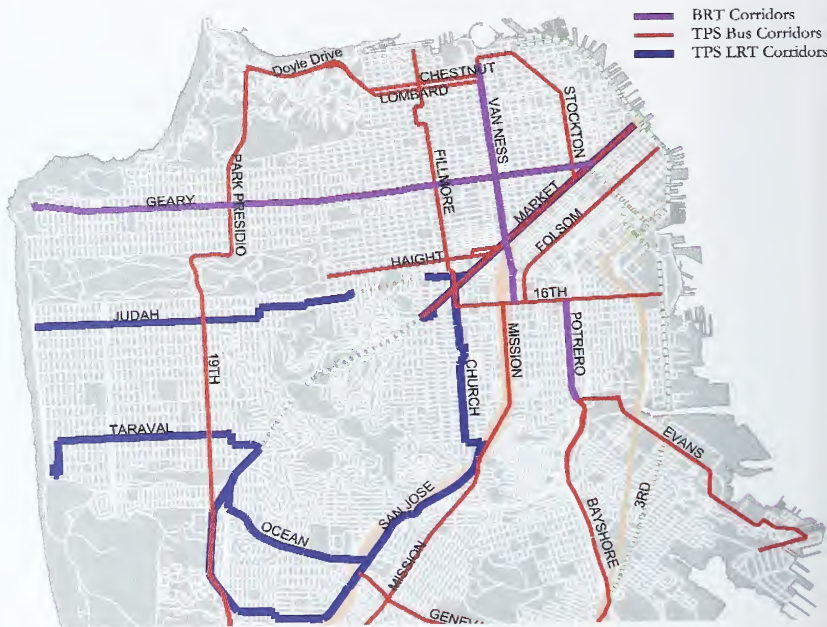
- » Telecommunication System Improvements – \$15.5 million to upgrade, replace, and expand the network of duct banks, conduits, and cabling. This project will also fund improvements to telecommunications system rooms and critical wiring sites; and
- » Water Systems Improvements – \$28.4 million to rebuild water system infrastructure, including the phased replacement of water mains.

3. Emerging Needs

- **Terminal 1 Redevelopment.** The 1989 SFO Master Plan proposed the redevelopment of Terminal 1, Boarding Area B due to the age and condition of the facility. The ongoing maintenance requirements of the building and associated systems are significant because of the continued settling of the 1960's-era boarding area, which has subsided by 30-50 inches, putting pressure on the outer walls and systems. While the Airport has maintained the boarding area and made sufficient capital investments to keep the facility operational over the last ten years, Boarding Area B is accommodating many more passengers than it was designed to handle. To keep Boarding Area B in working condition and up to code for the next four to five years, the Airport plans to invest \$2.5 million to \$5 million in improving restrooms, lighting, fixing the interior slope, and repairing parts of the roof.

In 2007, the Airport initiated a planning study for the redevelopment of Terminal 1. In the first planning phase, the Airport identified a preferred alternative for the redevelopment of the terminal building and Boarding Area B. The new terminal layout would provide improved passenger processing facilities (e.g., ticketing, security screening, and baggage claim areas), airline support facilities, and aircraft operating environment (including improvements to taxi lane layouts in the vicinity of the terminal boarding areas to enhance the operational capability of the Airport and reduce aircraft delays). This capital plan includes \$10.9 million for a master architect to develop 15 percent designs for a new Terminal 1. At a later date, as necessitated by demand for gates and/or building condition, the Airport will complete bridging documents to get to 45 percent design, and construct the initial 11 gates of a new Boarding Area B. Any further redevelopment of Terminal 1 will be initiated when needed to meet increased demand for domestic travel.

Interagency Initiatives



Retaining and expanding transit's share of travel in San Francisco is a major strategic challenge for the city as it grows into the future. In addition to SFMTA bus, trolley, cable car, and light rail service, this requires coordination and planning with a number of regional transportation authorities including the San Francisco County Transportation Authority (SFCTA), the Peninsula Corridor Joint Powers Board (Caltrain), and the Transbay Joint Powers Authority (TJPA). Major interagency capital projects include implementation of Bus Rapid Transit along Geary Boulevard and Van Ness Avenue, maintenance, electrification, and improvement of Caltrain, and the rebuild of the Transbay Terminal. In 2010, the SFCTA launched the development of the San Francisco County Transportation Plan, which will evaluate existing needs and growth trends in an effort to develop updated transportation sector policies, strategies and investment priorities for sustainable growth.

The SFCTA administers the Proposition K half-cent local transportation sales tax program, passed by 75% of San Francisco voters in November 2003.

Bus Rapid Transit (BRT)

The City's 2004 Countywide Transportation Plan helps to implement San Francisco's Transit First Policy by funding cost-effective Bus Rapid Transit (BRT) treatments on the city's network of Transit Preferential Streets (TPS, see map on previous page).

BRT is a new mode of transit for San Francisco, developed to deliver many of the benefits of light rail at lower cost with buses. It is a high-quality transit service that reduces travel time, increases reliability, and improves passenger comfort primarily by giving the bus an exclusive lane so it can operate faster and more reliably. Key components of a BRT system include: dedicated lanes or exclusive guideways; modern, low-floor, high-capacity buses; high quality bus stops; streetscape improvements and pedestrian amenities; proof of payment and all door boarding; and advanced transit and traffic management systems such as signal priority and real-time information systems.



Computer Rendering of
Proposed Van Ness Avenue Bus
Rapid Transit

The SFCTA, in partnership with SFMTA, is currently conducting environmental studies for two BRT projects—Van Ness Avenue and Geary. Van Ness Avenue is a key north-south spine in San Francisco's transit system carrying over 20,000 riders daily, while the Geary corridor is the most heavily used transit route in northern San Francisco with approximately 55,000 daily riders. Although these lines operate at high-frequencies, they are plagued by a variety of traffic and transit conditions that degrade both the travel time and reliability of service.

The environmental review of the Van Ness BRT project includes analysis of the replacement of the decorative Overhead Contact System support poles / streetlights on Van Ness Avenue, as these poles are nearing the end of their useful life and would need to be

replaced as part of the BRT project. While the SFCTA is addressing the environmental review of the project, the design, funding and implementation of the project is a shared effort between SFMTA and SFPUC. The Geary BRT project is also addressing special infrastructure needs of its own. These include two grade-separated intersections at Fillmore and Masonic, and measures to reduce construction impacts should there be a decision to convert BRT to rail in the future.



Conceptual rendering of a Caltrain rapid electric rail locomotive

Improvements on Van Ness and Geary have been prioritized for funding through the 2003 voter-approved transportation sales tax measure (Prop K) and the 2005 Prop K Strategic Plan. Following environmental review of each project, final design could be undertaken, with BRT service on Van Ness beginning in 2015 and on Geary beginning in 2016.

Caltrain

20 diesel locomotives and 73 gallery cars (2/3rds of the total fleet) are scheduled for replacement in 2014.

Along with San Mateo and Santa Clara counties, San Francisco is a representative member of the Peninsula Corridor Joint Powers Board (JPB) which operates and maintains Caltrain. According to the 1996 Joint Powers Agreement, funding for system-wide capital improvements are shared equally among the three members, while local improvements are, in general, borne by the County partner in which the improvements are located.

As provided for in the following worksheet, the total estimated cost for the ten-year JPB Capital Improvement Program (CIP) is \$2.565 billion, as projected in its most recent Short Range Transit Plan (SRTP), covering fiscal years 2009 through 2018. This includes basic maintenance and renewal costs as well as major enhancements such as the conversion to an electrified system and installation of a federally mandated Positive Train Control (PTC) system..

1. Renewals

San Francisco's share for matching and/or funding system-wide improvements, excluding electrification, is anticipated to be \$58.06 million over the ten year term covering fiscal years 2009 through 2018 of the Caltrain SRTP. In addition, the JPB is seeking a one-time local match of \$1.725 million from San Francisco in FY 2012 for an estimated \$18 million project to replace three San Francisco bridges at 22nd, 23rd and Paul Avenues. The matching funds will leverage close to \$16 million in federal grants. These three San Francisco bridges were assigned low sufficiency rating by the California Department of Transportation (Caltrans), have reached the end of their useful lives, and are in urgent need of replacement. Construction for this project is currently scheduled to begin in late 2011 or early 2012 and full funding needs to be secured in FY 2012.

2. Enhancement Program (FY2012-2021)

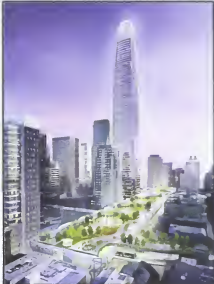
The JPB CIP has included \$60 million in San Francisco funding sources as commitments towards the \$785 million (in year of construction dollars) required for the Caltrain Electrification Program. The Electrification program is the centerpiece in Caltrain's proposed CIP to transform the system from commuter rail to a state-of-the-art rapid rail system from San Francisco to San Jose through electrification of the main line, installation of catenary poles and wire, utility relocation, vertical clearance improvements and construction of power substations. This will eventually connect with California High Speed Rail projects from Sacramento to San Diego. Work will occur in the next five to eight years and will dovetail with the scheduled replacement of the majority of the fleet with modern, light-weight, and higher speed passenger trains. The total project cost for the Electrification Infrastructure program in year of construction dollars is \$785 million, while the replacement of train-sets is estimated to cost \$456 million (in year of procurement dollars).

The SFCTA, in partnership with the SFMTA, is also coordinating with Caltrain/JPB staff to evaluate construction of an infill station at Oakdale Avenue. This station would serve as a regional transit connection for the Bayview/Hunters Point areas. The collaboration amongst the three partners, JPB, SFCTA, and SFMTA, is working to ensure that plans for electrification and bridge repair/replacement do not preclude the potential construction of a new station at this location.

Transbay Terminal

The Transbay Terminal project consists of three interconnected elements: (1) replacing the outmoded Transbay Terminal at First and Mission Streets with the modern Transbay Transit Center; (2) extending Caltrain 1.3 miles from Fourth and King Streets downtown into the new Transbay Transit Center at 1st and Mission, with accommodations for future High-Speed Rail (see the SFMTA subchapter above); and (3) creating a new transit-friendly neighborhood with 2,600 new homes (35% of which will be affordable), and mixed use commercial development.

The first phase of the project began with the building of the temporary terminal, commencing in 2008, to serve passengers while the new Transit Center is under construction. Construction of the new landmark Transit Center and complementary Transit Tower is scheduled to begin in 2010 and be completed in 2014. This first phase of the project includes design and construction of the Transit Center building, the rail foundation, bus ramps, and bus storage facilities, and design of the underground rail level component of the Transit Center. The second phase of the project, the construction of the Caltrain Downtown Rail Extension, is estimated to begin in 2012 and be completed and operational by 2018, or earlier, if funding allows.



The Transbay Transit Center will help centralize a fractured regional transportation network by building an intermodal hub that will be used by MUNI, AC Transit, Golden Gate Transit, Caltrain, SamTrans, WestCAT, Greyhound, and Paratransit and will accommodate the future California High-Speed Rail line. By 2020, upwards of 29 million people are estimated to use this 'Grand Central of the West' each year. The new Transit Center will accommodate more than 45 million people, which includes those who come to enjoy the retail component as well as transit passengers. The project's capital cost is estimated at \$4.2 billion, escalated to the year of expenditure (YOE). It is funded by local, regional, state and federal funds. The first phase, which completes the above-ground portion of the Transit Center building, is fully funded at \$1.189 billion (YOE).

On September 20, 2007, the TJPA Board unanimously selected Pelli Clarke Pelli Architects and Hines to design and develop the new landmark Transbay Transit Center and Transit Tower. Design and engineering of the Transit Center is now well underway, with the temporary facility between Howard and Folsom, Main and Beale scheduled to open in spring 2010.

Transportation

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
<u>SPENDING PLAN</u>							
Municipal Transportation Agency (SFMTA)	1,920,009	1,234,989	1,185,317	896,682	684,332	2,499,743	8,421,072
International Airport (SFO)	175,584	179,779	155,900	155,693	43,091	409,678	1,119,725
Interagency Initiatives	647,555	518,143	1,036,944	1,004,689	1,183,240	1,554,764	5,945,335
TOTAL	2,743,148	1,932,911	2,378,161	2,057,064	1,910,663	4,464,185	15,486,132
<u>REVENUES</u>							
Local	251,675	232,117	320,832	320,468	107,289	722,020	1,954,400
Regional	44,614	116,335	76,085	82,188	11,420	18,340	348,983
Federal	1,051,566	770,684	473,360	349,812	435,064	1,405,390	4,485,876
State	88,840	57,250	31,480	83,680	71,480	109,150	441,880
Other	31,301	89,785	134,945	177,297	70,075	107,554	610,957
TOTAL	1,467,996	1,266,171	1,036,702	1,013,445	695,328	2,362,454	7,842,096
Total San Francisco Jobs/Year*	9,601	8,281	6,780	6,628	4,547	15,450	51,287

*This is the equivalent of job years, which are defined as one year of full-time work (e.g. Three people employed for five years = 15 job years).

Annual Surplus (Shortfall)	(1,275,152)	(666,740)	(1,341,459)	(1,043,619)	(1,215,335)	(2,101,731)	(7,644,036)
Cumulative Surplus (Shortfall)		(1,941,892)	(3,283,351)	(4,326,971)	(5,542,305)	(7,644,036)	

Departmental Breakdown

Municipal Transportation Agency (SFMTA)

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
SPENDING PLAN							
Equipment Program	\$266,699	\$160,578	\$127,696	\$53,907	\$36,192	\$192,336	837,408
Facilities Program	\$448,680	\$264,096	\$265,896	\$167,364	\$45,064	\$227,012	1,418,111
Fleet Program	\$251,142	\$232,046	\$204,925	\$213,354	\$174,771	\$584,251	1,660,488
Infrastructure Program	\$953,488	\$578,270	\$586,800	\$462,057	\$428,305	\$1,496,145	4,505,065
TOTAL	1,920,009	1,234,989	1,185,317	896,682	684,332	2,499,743	8,421,072
REVENUES							
Federal	\$254,490	\$340,850	\$286,070	\$312,520	\$299,120	\$926,290	2,419,340
State	\$79,690	\$52,600	\$26,830	\$60,830	\$66,830	\$101,650	388,430
Local	\$102,130	\$57,220	\$24,190	\$63,290	\$71,660	\$213,980	532,470
TOTAL	436,310	450,670	337,090	436,640	437,610	1,241,920	3,340,240
Total San Francisco Jobs/Year	2,853	2,947	2,205	2,856	2,862	8,122	21,845
Annual Surplus (Shortfall)							
	(1,483,699)	(784,319)	(848,227)	(460,042)	(246,722)	(1,257,823)	(5,080,832)
Cumulative Surplus (Shortfall)							
		(2,268,018)	(3,116,245)	(3,576,288)	(3,823,009)	(5,080,832)	

San Francisco International Airport (SFO)

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
Renewal and Deferred Maintenance-Needs	11,685	12,888	12,578	13,900	13,750	56,613	121,414
<i>SPENDING PLAN</i>							
Renewal (Operating Budget)	7,000	8,500	9,000	9,500	10,000	50,000	94,000
Capital Plan by Airport Cost Center							
Airfield	15,441	64,417	56,826	81,816	21,674	55,587	295,761
Airport Support	50,574	63,530	47,634	36,517	900	51,165	250,320
Groundside	6,436	900	5,035	8,210	1,586	44,173	66,340
Terminals	63,968	22,406	22,015	8,250	2,331	47,391	166,361
Utilities	27,480	15,638	11,812	7,000	2,850	154,749	219,529
Subtotal Capital Plan	163,899	166,891	143,322	141,793	29,341	353,065	998,311
Total Operating & Capital Needs	175,584	179,779	155,900	155,693	43,091	409,678	1,119,725
<i>REVENUES</i>							
Operating Budget (Renewal/Maintenance)	7,000	8,500	9,000	9,500	10,000	50,000	94,000
Capital Sources							
Revenue Bonds / Capital Borrowings	132,597	77,106	65,862	47,008	260	245,510	588,343
Grants	28,801	76,310	63,960	80,286	15,581	46,054	310,992
PFC funds		12,475	13,000	14,000	13,500	59,000	111,975
Other (Interest Income / Reprogramming)	2,500	1,000	500	500		2,500	7,000
Subtotal Capital Sources	163,898	166,891	143,322	141,794	29,341	353,064	998,310
Total Operating and Capital Sources	170,898	175,391	152,322	151,294	39,341	403,064	1,092,310
Total San Francisco Jobs/Year	1,118	1,147	996	989	257	2,636	7,144
Annual Surplus (Shortfall)	(4,686)	(4,388)	(3,578)	(4,399)	(3,750)	(6,614)	(27,415)
Cumulative Surplus (Shortfall)		(9,074)	(12,652)	(17,051)	(20,801)	(27,415)	

Interagency Initiatives

Program / Project	Prior Years	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
SPENDING PLAN								
Bus Rapid Transit								
Van Ness BRT	2,756	5,372	4,901	39,876	40,838	17,959	6,786	115,732
Geary BRT	3,918	6,028	14,220	8,532	78,989	106,879	46,462	261,090
BRT Subtotal	6,674	11,400	19,121	48,408	119,807	124,838	53,248	376,822
Caltrain								
Replace SF Bridges - 22nd, 23rd, and Paul Ave	3,000	15,000						15,000
Rolling Stock Replacement		1,000	1,000	152,100	152,100	148,500		454,700
Electrification Infrastructure	30,975	46,100	63,000	370,300	187,400	76,200	12,000	755,000
Caltrain State-of-Good Repair & Other Enhancements	117,671	288,705	125,028	115,748	78,649	43,690	72,880	724,700
Caltrain Subtotal	151,646	350,805	189,028	638,148	418,149	268,390	84,880	1,949,400
Transbay Terminal								
Phase I	503,291	212,181	246,805	214,430	195,410	133,293	83,590	1,085,709
Phase II	62,596	73,169	63,189	135,958	271,323	656,719	1,333,046	2,533,404
Transbay Subtotal	565,887	285,350	309,994	350,388	466,733	790,012	1,416,636	3,619,113
TOTAL	724,207	647,555	518,143	1,036,944	1,004,689	1,183,240	1,554,764	5,945,335
REVENUES								
Local - SF Prop K		9,948	36,705	45,830	36,077	4,497	9,120	142,176
Local - Transbay TDRs & Land Sales			52,586	175,950	164,593	20,872	203,410	617,411
Regional - Caltrain (SMCTA, VTA, ACE & Bridge Tolls)		32,352	56,350	60,485	73,203	9,043	18,340	249,774
Regional - Transbay (SMCTA, Bridge Tolls, Lease, Other)		12,262	59,985	15,600	8,985	2,377		99,209
State		9,150	4,650	4,650	22,850	4,650	7,500	53,450
Federal		797,076	429,834	187,290	37,292	135,944	479,100	2,066,536
BRT Other				57,485	82,511	40,994		180,990
TOTAL		860,788	640,110	547,290	425,511	218,377	717,470	3,409,546
Total San Francisco Jobs/Year								
		5,630	4,186	3,579	2,763	1,428	4,692	22,298
Annual Surplus (Shortfall)								
		213,233	121,967	(489,654)	(579,178)	(964,863)	(837,294)	(2,535,789)
Cumulative Surplus (Shortfall)								
			335,200	(154,454)	(733,632)	(1,698,495)	(2,535,789)	









VI | Recreation, Culture & Education

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Legend

- | | |
|--|--|
|  SF Unified School District |  Community and Recreation Centers |
|  Fine Arts Museums |  Public Library |
|  Arts and Cultural Centers |  Parks and Open Space |

Recreation, Culture & Education

The Recreation and Parks Department (RPD), art and cultural agencies, public libraries, and two school districts operate over 460 facilities and properties that provide recreational, cultural, and educational services.

With over 230 properties containing hundreds of buildings and recreation facilities, RPD has the lion's share of the portfolio within the City. It also operates Sharp Park and Camp Mather outside the city limits. In terms of cultural and educational facilities, the City owns 27 branch libraries, four major civic center arts facilities and auditoriums, four neighborhood arts cultural facilities, and over 3000 public art objects and monuments. The San Francisco Unified School District operates 183 facilities that serve 56,236 students, and the San Francisco Community College District manages twelve campuses for 35,000 full-time equivalent students.

Highlights and Accomplishments

The recent opening of major museums such as the Academy of Sciences and the passage of bonds for libraries, parks, and schools reveal the City's commitment to Recreation, Culture, and Education facilities. Each of these areas is discussed below, with the external education agencies included at the end of the chapter.

Recreation and Parks System

The \$185 million 2008 Clean and Safe Neighborhood Parks G.O. Bond (Proposition A) focuses on addressing seismic hazards, physical conditions of park structures, and other basic parks and recreation area infrastructure needs. This bond also enables the City to continue the work initiated by the \$110 million 2000 Neighborhood Parks Bond. Funds from the 2000 bond leveraged grants and gifts, along with other local investments, to initiate 223 capital projects. All but one of these projects was completed by 2010. The remaining project, the Chinese Recreation Center, required additional funding from the 2008 Bond and began construction in 2010.



Palace of Fine Arts

Status updates on the RPD Bond projects can be found at:

<http://parkbonds.sfgov.org/>

Public Library

Following voter approval of a \$106 million in G.O. bonds in 2000, the City leveraged the approved bond funds with State grants, gifts, and revenue bonds supported by the Library Preservation Fund to finance the \$153 million Branch Library Improvement Program (BLIP).

The BLIP continues to replace rental facilities and provide structural upgrades, enhance access, make program improvements and address deferred maintenance for 24 Branch libraries and the Support Services center.



Park Branch Library

For specific branch closures and project status, please see: www.sfpl.org/blip

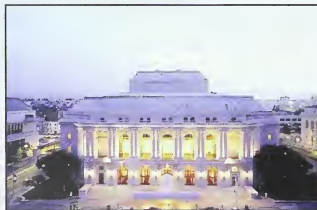
To date the BLIP has accomplished the following:

- A new Support Services center
- City-owned rather than leased facilities at Glen Park, Portola, and Ingleside
- Mission Bay -- the first new branch library in 40 years
- Branch library renovations at Bernal Heights, Excelsior, Potrero, West Portal, Sunset, Marina, Western Addition, Noe Valley, Richmond, Eureka Valley, Park, Presidio, and Parkside

Upcoming renovations at Anza, Golden Gate Valley and Merced branches and the new construction of Visitacion Valley and Ortega branch libraries are anticipated to complete in 2011. Finally, the new North Beach Library is under environmental review and the new Bayview library will begin construction in early 2011.

Arts and Museums

The American Recovery and Reinvestment Act (ARRA) provided the bulk of \$831,000 in lighting and HVAC improvements to Mission, SOMArts, and African American cultural centers. Managed by the San Francisco Public Utilities Commission, all of the upgrades will be complete by May 2011. In addition, the City budgeted \$15 million in C.O.P.s to start work on seismic improvements to the Veterans Building.

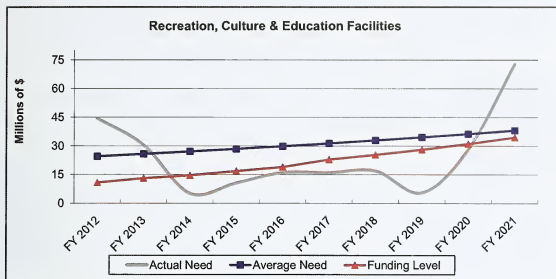


War Memorial Opera House

Several other facilities, however, suffer from seismic, disability access, and other deficiencies. The Plan allocates approximately \$169 million in both renewals and enhancements of these facilities. Remaining funds to complete the seismic repairs at the Veterans Building account for 68 percent of this total.

1. Renewal Program

The facility renewal model projects \$331 million in costs over the next ten years to keep Recreation, Culture, & Education facilities in a state of good repair. Given funding constraints, the plan allocates \$239 million for Recreation and Culture Renewals.



*Library and Zoo renewal needs not included.

The plan proposes fully funding the Library's annual renewal needs, and work performed as part of the BLIP has nearly eliminated its existing backlog of deferred maintenance.

In addition to facilities, the Arts Commission maintains a collection of over 3000 public art objects and monuments valued at over \$86 million. These assets have ongoing maintenance and renewal needs and need protection from graffiti and vandalism, which reduce their value. The maintenance, renewal, and protection programs for the City's public art collection do not receive enough funding to meet the need.

2. Enhancement Program (FY 2012-2021)

- **Recreation and Parks System Modernization.** The Capital Plan relies on a series of bonds to modernize the City's parks and recreation facilities. Work on the projects in the \$185 million 2008 Clean and Safe Neighborhood Parks Bond (Proposition A) continues and construction is expected to be complete in 2013. Additional Parks and Open Space Bonds are scheduled in 2012 and 2020. The department is beginning to develop criteria and plans for the 2012 bond. Details about some potential parks and programs for the bond are located in the emerging needs section. Even with the infusion of funds received by the bonds, there remains additional need. Status of the 2008 bond program is as follows:



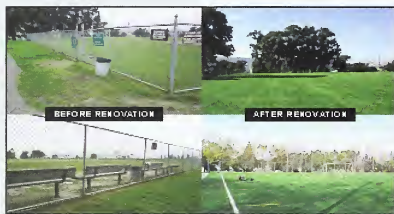
Chinese Rec Center Demolition

- » **Neighborhood Parks.** The repair and renovation program provides a phased approach to implementing projects at 13 sites. Work has already commenced at McCoppin Square and the new Chinese Recreation Center. Renovation and construction are anticipated to begin in 2011 at Palega Rec Center along with Cayuga, Fulton, Mission, Mission-Dolores (Hellen Diller) and Sunset playgrounds. The final sale of

2008 Bond funds in 2011 will fund construction at Mission Dolores Park, Raymond Kimbell, Lafayette, and Cabrillo Playgrounds. Glen Canyon Rec Center will receive planning and targeted improvements through the 2008 bond.

- » **Park Restrooms.** The Restroom Rehabilitation Program has selected twenty park sites to be improved with funding from the 2008 Bond. Planning and design are underway for the initial phases and construction will begin in 2011.

- » **Park Playfields.** The Recreation and Parks Department is in the third phase of a program to renovate City soccer, baseball, and other playing fields with state of the art, durable synthetic turf. The program also includes the addition of field lights and other field related amenities. This past year, the Department renovated Kimbell Playground fields and is moving through the environmental review process for the Beach Chalet soccer fields using 2008 bond funding with matching funds from the City Fields Foundation. With additional funding from the 2008 bond and support from the City Fields Foundation, the Department anticipates renovating Mission Playground soccer field in



Franklin Square Playfield

2011.

- » **Park Forestry Program.** The Park Forestry Program addresses critical needs for tree repairs. The department has completed the prioritization of sites to be addressed in first phases of the program. Using Prop A funds, site-specific tree assessments and tree work will proceed over the next few years. While some work will be covered by the 2008 Bond, the department anticipates the need for \$5 million in additional funding.
- » **Park Trails Program.** With prioritization and scoping for the first phase of the Park Trails Program complete, the department has identified 10 trails that qualify for the \$5 million program. While work on those trails will be covered by the Prop A Bond, the department anticipates the need for \$6 million in additional funding for other improvements.
- **Marina Renovation Program.** The department is implementing a major program to renovate the San Francisco Marina Yacht Harbor. This includes investments of \$45 million over the course of the two phase program. The projects will be primarily funded through a loan secured from the State's Department of Boating and Waterways, to be repaid with Marina generated revenues. The first phase of work, consisting of \$25 million in improvements to the West Harbor, is in progress with construction completion forecasted for late 2012. Planning for the second phase of work, improvements to the East Harbor (Gas House Cove) will follow the completion of work in the West Harbor.

The precise timing of the second phase of work, valued at approximately \$20 Million, is contingent upon the availability of funds and legislative acts conducted at the state level.

- **Branch Library Improvement Program (BLIP).** The Prop A (Nov. 2000) G.O. bond, revenue bonds, and other sources have funded the 24 libraries in the BLIP program. Of the remaining two branches, Bayview was fully funded through the transfer of balances in several closed branch projects and program-wide reserve and contingency accounts including savings realized from a favorable bidding climate. A second sale of lease revenue bonds to fund construction and related costs of the North Beach branch is anticipated to occur in 2011.



Potrero Branch Library
Photo: Bruce Damonte

- **Seismic Retrofit of the Veterans Building.** The Veterans Building houses the Herbst Theater, contains meeting space for local veterans, and provides City office space. The facility suffers from a number of seismic deficiencies, the most serious of which is the strength of the facility's theater. The cost of the project is estimated at \$130 million given a proposed construction period beginning in FY2013 and a 5.5% contingency for hazardous materials abatement and market fluctuations. The Plan proposes issuing C.O.P.s in FY 2013 to fund the construction costs. The sale of transferable development rights may offset costs when the market improves.

Due to recent changes, this year's Plan anticipates that the Opera will occupy the fourth floor of the Veterans Building and invest 15 to 20 million in tenant improvements.

3. Deferred Projects

- **Golf Course Improvements.** Significant facility upgrades are needed at all the City's golf courses with the exception of Harding Park, which was updated with a combination of investments from the City, philanthropic donations, and state bond funds. Two of the city's golf courses needing improvements include the Lincoln Park course with an estimated project cost of \$5 million and Sharp Park with a potential need of \$6 million.
- **Renovation of the Arts Commission Gallery Building.** Located at 155 Grove, this seismically unsafe facility has been inactive since 1989.
- **Renovations of the City's Cultural Centers.** Though the ADA Transition plan includes funding for \$2 million in accessibility improvements at the City's cultural centers, building deficiencies and seismic issues remain deferred from the plan. The severity of these



Veterans Building

facility needs, the cost of renovating the existing sites, and the possibility of relocating to other sites requires additional review and analysis.

4. Emerging Needs

The capital investments required for the following deferred projects and emerging needs have not yet been identified. They will be reviewed in subsequent capital plans as additional planning is completed and uncertainty around project-specific issues and funding sources is resolved.

- **Public Library.** The current Branch Library Improvement Program (BLIP) does not include two of the Library's busiest branches: Chinatown and Mission, each renovated in the mid-1990's to meet seismic safety and ADA requirements. However, as library usage continues to evolve, it is appropriate that these two branches be evaluated for potential renovations to address current and future library users' needs. The Library anticipates launching this evaluation in FY 2014, with construction to follow in FY 2015-FY 2016.

» **Remaining Facilities Plan.** While the San Francisco Public Library continues construction and renovation of branch facilities through the BLIP program, the Public Library continues to experience changing and growing demands on other library spaces and buildings. The Public Library is working with the Bureau of Architecture to evaluate current space usage and plan strategically for future needs, ensuring that spaces are safe and appropriately utilized, specifically related to the following facilities: Main Library, Brooks Hall, 190 9th Street, and any additional properties currently owned or leased by the Library (not in conjunction with the BLIP). The analysis will be completed in FY11; the results and associated capital costs may be reported in subsequent plans.

» **Teen Center at the Main Library.** The San Francisco Public Library plans to develop a 21st century learning space of 3500-5000 square feet to meet the needs of youth ages 12-20. The space will incorporate library and technology resources and physical space to support library teen programs, events and collections, youth development, education, collaboration, and creativity. The location and program plan for the Teen Center will be developed in FY11 and FY12, with future capital costs reported, as appropriate.

• **The Mint Project.** The San Francisco Museum and Historical Society has raised \$30 million toward the \$95 million cost of renovating the Mint. The project will convert the Mint into a Bay Area history museum with multiple learning centers, the San Francisco Visitors Information Center, and cultural retail space. More information is available at <http://www.themintproject.org>

Approved by the voters in November 2007, Proposition D renewed the Library Preservation Fund, a baseline established to fund the department's needs, for a 15-year term beginning in FY 2008-2009. The measure also authorized the Library to issue lease revenue bonds for the construction or improvement of public library facilities.



Mint Concept (HOK)

- **Law Library.** During the 1995 seismic upgrades to City Hall the San Francisco Law Library moved to the Veterans' Building at 401 Van Ness and placed some of its collection in storage. With the planned seismic upgrades to the Veterans' Building, it is likely that this library will have to be relocated once again. Discussions between the City and the San Francisco Law Library are currently underway to determine the legal, programmatic, and space needs for this function. Future Plans will report on the outcome of the discussions and the associated capital costs for this facility.
- **Rec Park Emerging Needs.** Future Park Bonds are expected to continue several of the programs in the 2008 Bond and fund some of the department's modernization needs. In addition, the City Planning Department and Neighborhood plans are expected to provide \$54 million in funding for improvements and new parks. However, allocation between programs and specific sites has not been determined and the substantial renewal and enhancement needs of the department are not met by the projected funding. Key projects and programs that may receive funding:
 - » **Neighborhood Parks - Glen Canyon.** Glen Canyon will only receive \$5.8 million from the 2008 Bond for improvements and a study or Master Plan for the site. To begin to implement the major improvements for the entire park site it is anticipated that an additional \$25 million would be needed.
 - » **Neighborhood Parks - Joe Di Maggio.** Developed through a series of community meetings, the Library and RPD have developed a Master Plan for improving North Beach Library and Joe DiMaggio Park. The project is currently undergoing Environmental Review and the preferred master plan recommends the renovation of the playground, courts and other park amenities in addition to new park space. The improvements to park facilities are estimated to cost \$5 million.
 - » **Neighborhood Parks - SOMA / Eugene Friend Rec Center.** As a popular site in a growing neighborhood, improvements to Eugene Friend Rec Center should be considered with the overall neighborhood plan. During a site assessment study in 2008 it was determined that improvements to the site could cost \$11.2 million. With these improvements, and pedestrian improvements in the Eastern Neighborhood Plan, Eugene Friend and Victoria Manalo Draves park would be connected and provide a more complete recreational experience.
 - » **Regional Parks - Golden Gate Park and McLaren Park.** The department's Regional Parks, such as Golden Gate Park and John McLaren Park have large infrastructure needs including needed improvements to roadways and water features. For example, Golden Gate Park's eleven lakes which have their original pounded clay bottom need capital improvements. The department has conducted a needs assessment with community members for McLaren Park and identified a number of

capital improvements including renovation of playgrounds, picnic areas, pedestrian and traffic safety, trails, recreation facilities and water features.

- » **New Park Acquisitions and Capital Development Needs.** The department is pressed to find resources for new parks in areas of the city experiencing significant growth, or in areas which have a high need for new open space. In addition, capital funds for making improvements to newly-acquired open spaces are important so that the new properties can serve as usable open space and meet the public's open space needs.
- » **Seismic Improvements.** While many facilities are covered through the recent Bonds, two major facilities within the RPD portfolio require significant seismic upgrades. Based on an engineering study, Kezar Pavilion has an estimated seismic need of over \$6 million. Kezar Stadium track also has capital needs. Another facility requiring seismic upgrades is the John McLaren Lodge situated at the entrance to Golden Gate Park. The estimated seismic improvements stand at \$15 million and would include improvement to the annex (a two-story administrative building directly behind the Lodge), the breezeway which connects both buildings and an ADA compliant elevator.
- » **Irrigation Modernization Program.** Through a successful program with the PUC, \$2.1 million in funding has been provided for irrigation upgrades to Balboa Park, Jefferson Square and Alta Plaza. Over the next year, RPD hopes that additional funding will be available for irrigation improvements at another set of sites which could include Alamo Square, Franklin Square, Jackson Playground and others.

Despite this program, there still remains a large need to bring all of our parks (including Golden Gate Park) up to the City's standard for water conservation. Comprehensively, irrigation systems in all parks need to be upgraded to modern water conservation standards and automated.

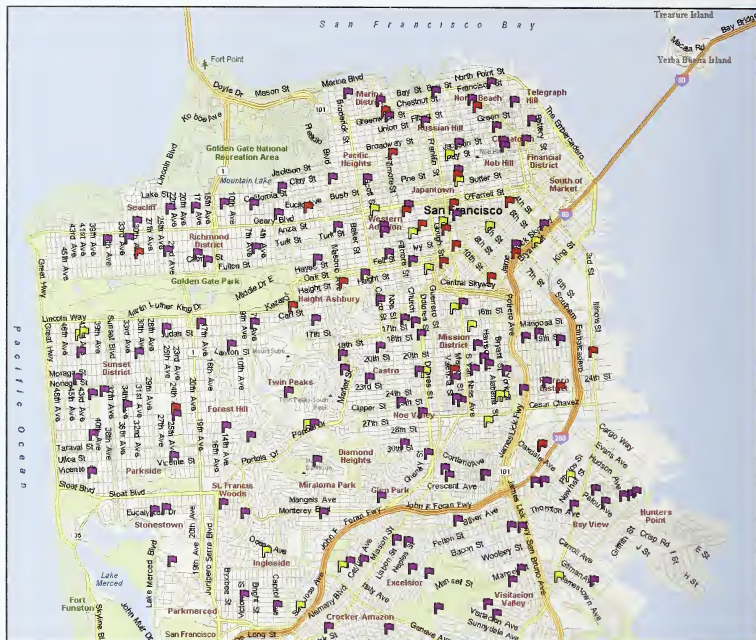
- » **Candlestick Park.** Should the San Francisco 49ers extend their lease at Candlestick beyond the 2012 season, it is likely that the City will need to undertake a capital improvement program to maintain the stadium through the 5-year extension that would expire after the 2017 season. Additionally, if the 49ers vacate Candlestick, the City will need to review alternatives for the site which will require significant capital work.
- » **SF Zoo.** Since 2000, the Zoo has spent approximately \$70 million on new construction, renovation, and enhancement. While the western side of the Zoo has seen significant improvements, there are many structures that still need repair and renovation. On the eastern side of the zoo, substantial work needs to be performed to renovate the lion house and bear grottoes along with other original structures from the 1920s and

- » **Camp Mather.** The department has partnered with the PUC to conduct outreach and develop a list of needed improvements.
- » **Park Concessions.** The department has several existing revenue generating properties that are in need of capital renovation projects. Should capital improvements not be made at some of these facilities, the ability to continue to operate the facilities, and the revenue they generate, may be jeopardized.

In addition, the Department is interested in re-purposing existing structures so that they can have a dual purpose including the provision of park serving amenities. Lastly, capital improvements should include increasing park infrastructure to be used by events and concessionaires as well as the Department.

- » **Francisco Reservoir.** Consistent with Board Resolution 502-08, the City will explore the preservation of the Francisco Reservoir as open space.
- **HOPE SF Emerging Needs.** As described in the Health and Human Services chapter, the Mayor's Office of Housing (MOH) is seeking to develop eight severely distressed public housing sites into mixed income communities. The first two sites - Hunters View and Alice Griffith - have open space improvement needs of \$10.8 million. According to MOH, these funds have been identified. The next three sites - Sunnysdale, Potrero, and Westside Courts - will have future open space improvement needs of at least \$18 million. The source of these funds has not yet been identified.

San Francisco Unified School District



LEGEND

■ DISTRICT SCHOOL FACILITIES

■ DISTRICT OWNED NON-EDUCATIONAL FACILITIES

■ CHARTER SCHOOLS, COUNTY COMMUNITY SCHOOLS AND FACILITIES WHERE THE DISTRICT OPERATES PROGRAMS, BUT DOESN'T OWN OR NECESSARILY LEASE THE FACILITY

San Francisco Unified School District

The San Francisco Unified School District (the "District") is involved in the operations of 180 sites located throughout the City as well as one facility in La Honda, CA (where a County Community School is located) and two parcels of vacant land.

Highlights and Accomplishments

The District continues to provide substantial capital improvements for its facilities throughout the City, with the majority of the funding to implement these improvements coming from previously approved general obligation bond measures. In addition, the District has moved forward with a major new strategic plan focused on increasing student achievement and narrowing the achievement gap, a new student assignment system, new school site attendance zones and a significant revision to the District student transportation policy.

In November 2003, voters approved a \$295 million general obligation bond to address modernization needs at 30 school sites, and in November 2006 they approved another \$450 million general obligation bond to modernize facilities at an additional 59 sites. All the projects funded by the 2003 bond are substantially complete, with a number of smaller follow-up projects at several sites currently in progress.

For the 2006 bond program, substantial completion of these projects is anticipated by 2012. Of the 59 projects, 46 are in construction or design and 30 projects are complete. Of the remaining projects, 10 are yet to be bid and three have been canceled due to program closures or District program relocations of school sites. Of the remaining District buildings, SFUSD has identified 59 sites, as of February 2011, for which modernization or new construction funds are required within the next ten years. The table below shows the distribution of these facilities by use and modernization need. It is projected that the construction of several new schools will be required to meet the student capacity demand over the next 10 years.

SFUSD Facility (Site) Use and Modernization Need-current as of 10/2010					
FACILITY (Site) USE	Number of facilities (sites) ¹	Funded ⁴ in 2003/2006 Bonds	Bond Sites Completed/ Under Construction ²	Number of sites still in need of funding for modernization (majority included in the 2011 bond)	
Child Development Centers ⁵	34	0	16	5	
Elementary Schools ³	64	0	36	3	
Alternative Grade Schools	11 ⁸	5	0	3	
Middle Schools ⁹	14	9	2	5	
High Schools	18 ⁸	2	11	5	
Charter Schools	3 ^{10, 11}	3	1	0	
County Community Schools	3	3	0	0	
Non-Educational Facilities	11	2	2	5	
Leased to Outside Agencies	14	2	0	7	
Vacant Buildings	5	2	1	1	
Use or program not yet determined ¹²				2	
SUBTOTAL-BUILDINGS	178	96	11	1	
Vacant Land	2	0	0		
TOTAL PROPERTIES¹	180	96	61	59	

1- The number of facilities does not equal total number of schools because of shared facilities. 2- Under construction is defined as a project with an (NIP) Notice-To-Proceed. 3-2003 Bond-Treasure Island project canceled. 4-2006 Bond-Independence High School relocated to a non-bond site. 5-2006 Bond-Sutro CDC closed. 6-Excludes Luther Burbank current site of June Jordan High School. 7-Includes CDC's co-located at Elementary Schools funded by 2003/2006 bonds. 8-Includes Paul Revere Annex. 9-Includes 2 programs co-located at 555 Portola Drive (SOTA & Academy of Arts & Sciences), and 2 programs co-located at 3750 18th St. (Mission HS and SF International HS). 10-Includes Creative Arts, Edison and 2 programs co-located at Benjamin Franklin/Burt Toler Campus. 11- Excludes City Arts & Technology (former Luther Burbank Campus). Leadership Charter High School (co-located with James Denman MS) and Metropolitan Arts & Technology (co-located at Philip & Sala Burton HS). 12- As of February 2011 the school program or use has not been determined- includes a new facility at Mission Bay & the site at 300 Seneca-Former San Miguel elementary School.

In addition to funding capital improvement projects through general obligation bonds, the District's Mello-Roos Tax was reauthorized in June 2010 for a 20-year period by San Francisco voters. The purpose of the tax is to pay for fire, health and life safety improvements at educational facilities owned and operated by the District, including responses to emergency situations.

1. Renewal Program



John McLaren Elementary

The District is required to forward a five-year plan to the State of California estimating the costs of projects that are categorized as deferred maintenance. However, the State's recent budgets (from FY 2009 through FY 2013) suspended the local matching contribution normally required as a condition of eligibility for deferred maintenance basic grant funding. In addition, the state matching portion of the deferred maintenance program was reduced by approximately 20%.

As a result of the reduction in funding, more deferred maintenance projects are being funded through the modernization projects associated with the 2003, 2006 or future bonds. However, the projects on the State-mandated five-year plan are those that must be addressed before proceeds of future bonds are available. Examples of such work include roof repair, boiler repair, fire alarm system installation and repair and plumbing repairs. Because of the emergency nature of these projects, repairs must be made as quickly as funding allows.

2. Enhancement Program (FY 2012 - 2021)

Progress to date and future plans for the 2003 and 2006 bond projects reflect an aggressive schedule to meet phased deadlines outlined in the Lopez vs. SFUSD Stipulated Judgment, which contains three groups of schools with respective completion deadlines. Accessibility improvements in schools in Group One, Group Two and Group Three must be completed by June 2007, June 2010, and June 2012, respectively.

- **2003 Bond Projects.** The 2003 projects primarily represent schools in Lopez Group One. As of November 2010, all 30 projects have been completed.

Of the \$295 million authorized by 2003 Proposition A, \$280 million of bonds have been sold. The remaining \$15 million of bond authorization is reserved for the School of the Arts (SOTA) exclusively at the 135 Van Ness historic site, which can only be sold when privately raised funds are in place or have been committed. The District does not anticipate selling the \$15 million prior to 2011.

- **2006 Bond Projects.** Of the \$450 million in bonds authorized by 2006 Proposition A, the District has issued \$435 million. As of November 2010, 30 projects have been

completed. The 2006 bond program includes some Lopez Group One and all Group Two and Group Three schools. The remaining \$15 million of bond authorization is also reserved for the School of the Arts, but may be used at any site in the District for SOTA including 135 Van Ness.

- **Future Bond Projects.** As indicated previously, the District has determined that approximately 75 facilities will require renovation, modernization and repair work. The District estimates that the costs to modernize these facilities, exclusive of deferred maintenance costs, are approximately \$512 million (in 2010 dollars). In cases of school buildings constructed or modernized relatively recently, estimates have been reduced to reflect only the costs of replacing various facility features according to standard schedules of useful life.



Lincoln High School

- **Proposed November 2011 Bond Program.** The District has been working over the last year to define the next general obligation bond program and anticipates that it will require a \$531 million measure to improve approximately 47 school sites which may include new construction for schools at Mission Bay and at the Willie L. Brown, Jr. site. As reported in last year's capital plan, the District will put forth the bond measure in November of 2011. The following table shows the District's funding needs, in total, over the next 10 years.

School District's Funding Needs 10 Year Horizon (in FY2011 \$)	
Construction, Modernization and Reconstruction	\$516,240,000
ADA Improvements	\$128,010,000
Deferred Maintenance	\$50,000,000
Technology upgrades (Science Labs, Computer labs)	\$42,750,000
TOTAL	\$737,000,000

3. Emerging Needs

In future updates of the District's capital plan, the District will include information on school infrastructure needs required for new and growing communities. As Mission Bay, Hunters Point, and Treasure Island continue to expand and take form, school facilities will need to be enhanced in order to fulfill the educational requirements of the communities. In addition, programs like HOPE SF will generate their own unique needs, which will be described in future updates to the District's capital plan.

Following the November 2011 G.O. Bond measure, the District currently has no specific plans for another general obligation bond proposal during the term of the FY 2012-2021 Capital Plan. As needs emerge that require the District to consider additional bond measures due to significant increases in new housing units or other factors, the District will advise the City's Capital Planning Committee of its plans and coordinate planning efforts with City staff.

- **Sustainability and Building Efficiency.** In order to promote a healthy learning and

For more information on the School District's sustainability efforts, please go to www.greenthenthecity.com

teaching environment, generate utility savings, reduce maintenance and operational costs, establish SFUSD green building leadership, and inspire the next generation of citizens, SFUSD is developing a building-energy efficiency program that will be an integral part of daily school life. One of the principal goals of the program will be to identify the biggest energy users in the District and then to make those facilities more energy efficient. As plans progress for future bond measures, a sustainability and building-energy efficiency component is anticipated to be included.

Sources of Funds Next 10 Years – (FY 2011 dollars in millions)

SOURCES	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	TOTALS
2003 GO Bond Funds		\$15									\$15
2006 GO Bond Funds (5)		\$15									\$15
Future GO Bond Funds(6)	\$531										\$531
State Matching Funds (1)	\$17	\$10									\$27
Measure A Parcel Tax (2)	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$70
Developer Fees (3)	\$2	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$3	\$29
Deferred Maintenance (Match)	\$0	\$1	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$21
(State Match)	\$0	\$0	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$2.5	\$20
TOTAL	\$557	\$51	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$728

(1) State matching funds for the 2011 bond are estimated to be \$50 million pending a new State Bond that would be required to realize this funding. Also, \$27m is estimated for yrs 2011 & 2021, based upon previously approved bonds.(3) Estimate based on average collection of developer fees.

(4) Funding contingent on proposed State Budget. Decreased Deferred Maintenance dollars may result in less work being done.

(5) \$15 million – SOTA pending determination of project site.

(6) \$531 million bond ballot measure planned for November 2011 - bond issuance schedule to be determined

Recreation, Culture, and Education

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	26,331	27,648	29,030	30,482	32,006	185,696	331,193	105,334
SPENDING PLAN								DEFERRED
State of good repair renewal - Proposed Uses	12,617	14,970	16,552	18,866	21,110	154,388	238,503	130,598
ADA Transition Plan Improvements	1,428	893	1,852				4,173	
Enhancements	1,650	126,150	7,500	150,000		150,000	435,300	107,569
TOTAL	15,695	142,013	25,904	168,866	21,110	304,388	677,977	238,167
REVENUES								
General Fund	12,344	14,076	16,529	16,897	19,042	142,392	221,280	
Certificates of Participation		107,800	7,500				115,300	
Other Local Sources	1,701	1,786	1,875	1,969	2,068	11,997	21,396	
Park System Renovation and Improvement Bond				150,000		150,000	300,000	
State	1,650	18,350					20,000	
TOTAL	15,695	142,013	25,904	168,866	21,110	304,388	677,977	
Total San Francisco Jobs/Year	103	929	169	1,104	138	1,991	4,434	

Departmental Breakdown

Arts Commission

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	661	694	729	765	804	4,663	8,317	3,641
SPENDING PLAN								DEFERRED
State of good repair renewal - Proposed Uses	310	375	417	480	541	4,047	6,170	3,017
ADA Transition Plan Improvements - Arts Commission	630	342	984				1,956	
Cultural Center Upgrades								100,796
Arts Commission Gallery Seismic Upgrade								6,773
TOTAL	940	716	1,401	480	541	4,047	8,126	107,569
REVENUES								
General Fund	940	716	1,713	480	541	4,047	8,126	
TOTAL	940	716	1,713	480	541	4,047	8,126	
Total San Francisco Jobs/Year	6	5	11	3	4	26	53	

Asian Art Museum

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	495	520	546	573	602	3,491	6,226	
SPENDING PLAN								DEFERRED
State of good repair renewal - Proposed Uses	175	211	235	271	305	2,281	3,478	3,693
TOTAL	175	211	235	271	305	2,281	3,478	3,693

REVENUES

General Fund	175	211	235	271	305	2,281	3,478	
TOTAL	175	211	235	271	305	2,281	3,478	
Total San Francisco Jobs/Year	1	1	2	2	2	15	23	

Fine Arts Museums

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	1,831	1,922	2,018	2,119	2,225	12,910	23,025	

SPENDING PLAN

State of good repair renewal - Proposed Uses	647	781	869	1,001	1,128	8,435	12,861	13,657
TOTAL	647	781	869	1,001	1,128	8,435	12,861	13,657

REVENUES

General Fund	647	781	869	1,001	1,128	8,435	12,861	
TOTAL	647	781	869	1,001	1,128	8,435	12,861	
Total San Francisco Jobs/Year	4	5	6	7	7	55	84	

Public Library

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	1,701	1,786	1,875	1,969	2,068	11,997	21,396	116

SPENDING PLAN

State of good repair renewal - Proposed Uses	1,701	1,786	1,875	1,969	2,068	11,997	21,396	
TOTAL	1,701	1,786	1,875	1,969	2,068	11,997	21,396	

DEFERRED

REVENUES

Other Local Sources	1,701	1,786	1,875	1,969	2,068	11,997	21,396	
TOTAL	1,701	1,786	1,875	1,969	2,068	11,997	21,396	
Total San Francisco Jobs/Year	11	12	12	13	14	78	140	

Recreation and Parks Department

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	17,835	18,727	19,664	20,647	21,679	125,780	224,331	43,391

SPENDING PLAN

State of good repair renewal - Proposed Uses	7,214	8,712	9,699	11,167	12,584	94,101	143,477	110,231
ADA Transition Plan Improvements - Recreation & Parks	798	551	868				2,217	
Systemwide Modernization Program	1,650	13,350		150,000		150,000	300,000	
Marina Yacht Harbor Renovation							20,000	
Total	9,662	27,614	10,567	161,167	12,584	244,101	465,695	

DEFERRED

REVENUES

General Fund	8,012	9,264	10,567	11,167	12,584	94,101	145,695	
Park System Renovation and Improvement Bond				150,000		150,000	300,000	
State	1,650	18,350					20,000	
TOTAL	9,662	27,614	10,567	161,167	12,584	244,101	465,695	
Total San Francisco Jobs/Year	63	181	69	1,054	82	1,596	3,046	

War Memorial and Performing Arts Center

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	2,201	2,311	2,427	2,548	2,676	15,523	27,686	38,543

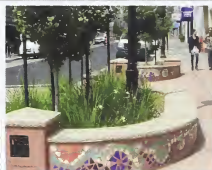
SPENDING PLAN

State of good repair renewal - Proposed Uses	1,589	1,919	2,137	2,460	2,772	20,729	31,605	
Veterans Building Seismic Renovation		107,800	7,500				115,300	
TOTAL	1,589	109,719	9,637	2,460	2,772	20,729	146,905	

DEFERRED

REVENUES

General Fund	1,589	1,919	2,137	2,460	2,772	20,729	31,605	
Certificates of Participation		107,800	7,500				115,300	
TOTAL	1,589	109,719	9,637	2,460	2,772	20,729	146,905	
Total San Francisco Jobs/Year	10	718	63	16	18	136	961	



VII | Economic & Neighborhood Development

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The City operates three convention facilities; owns or has responsibility for 39 pile-supported pier structures and 245 commercial and industrial buildings along the waterfront; and shares responsibility for the redevelopment of nearly 1,400 acres (40% more land area than Golden Gate Park) of formerly industrial or federally-owned land in Mission Bay, Hunter's Point, the Hunter's Point Naval Shipyard, and on Treasure and Yerba Buena Islands. Included in this inventory is not only the land, piers and buildings but also the fixed and long-term infrastructure that support them such as utilities, rights of way, cargo cranes, railroad track, and seawalls.

Highlights & Accomplishments

While many things contribute to the development of the local economy, this chapter includes departments and programs whose primary objective is to contribute to San Francisco's diverse economic base. Real estate at the Port, improvements to the Moscone Convention Center, redevelopment projects in Mission Bay, Treasure Island, and Bayview Hunter's Point, and Planning Department rezoning of neighborhood areas all share the goal of broadening the economic base of the City and creating neighborhoods that have modern infrastructure and are desirable places to live and work. Once complete, these projects will attract residents and businesses to San Francisco, increasing the City's economic competitiveness and expanding its tax base. The Plan identifies a total economic development need over the next ten years of \$4.3 billion, primarily for pier and substructure repairs along the waterfront and commercial and residential real estate development on the eastern side of San Francisco.

The City and its partners achieved a number of accomplishments in the last year, including completion of the southern approach to the Illinois Street Bridge (adding rail access to prospective clients at Pier 80), the Rincon Restaurants at Pier 22 ½, and the Public Boat Ramp project at Pier 52 and successfully passing state legislation creating an Infrastructure Financing District (IFD) within the Port's jurisdiction. During the summer and fall of 2008, the Board of Supervisors also approved the City's first Tourist Improvement District in a 15-year public-private partnership with the hotel industry and adopted the Market & Octavia and Eastern Neighborhood Area Plans. Finally, the various redevelopment project areas reached key milestones including initiation of specific environmental review for the redevelopment of Treasure Island and other highlights in Mission Bay and Bayview Hunter's Point.

Port of San Francisco



The FY 2012-21 update of the Port's 10-Year Capital Plan identifies a total need of approximately \$2.16 billion, primarily for deferred maintenance and seismic upgrade work required on Port facilities. This is approximately \$60 million greater than the approximately \$2.1 billion identified in the Port's FY 2011-20 update. This increase is largely the result of 1) the annual cost escalation used by the City and County of San Francisco (CCSF), which has been incorporated into this Plan, and 2) the inclusion of a new year (FY 2021) in this Plan, where most of the FY 2011 unfunded costs became a part of the Port's backlog. The remaining difference is a result of the removal of completed projects and the many small adjustments to cost estimates over the past year, many of which are offsetting.

The largest element of the Port's Plan is the rehabilitation and redevelopment of the heavily blighted Pier 70 area, with an estimated need of approximately \$650 million for that area. These costs include upgrades to salvageable buildings, demolition of unsalvageable ones, environmental remediation, improvements to street and utility infrastructure, and construction of open space park areas near the water's edge.

The Port has developed policy options to address the unfunded portion of its Plan including use of grant funds,

tax increment financing and potential private development options. In November 2008, San Francisco's voters approved Proposition D which provides an option for the Board of Supervisors to capture 75% of the payroll and hotel tax increment generated by future Pier 70 development to help fund Pier 70's immense public infrastructure and improvements. In 2010, the California Legislature adopted AB 1199 (Assemblymember Tom Ammiano), permitting the Port to establish a Pier 70 Infrastructure Finance District that may issue debt repayable with both the local share of possessory interest tax (already permitted under current law) and the state's share of possessory interest tax (permitted by AB 1199).

While much activity has taken place over the last year, the visible and impactful change for the Port in 2010 was the award to host the 34th America's Cup in 2013. The Host and Venue Agreement ("HVA") among the City, the America's Cup Event Authority ("ACEA") and the San Francisco America's Cup Organizing Committee¹ calls for use of 8 piers (Piers 30-32, 28, 26, 19, 23, 27 & 29) and the two-acre Seawall Lot 330 for Event-related activities, starting in 2012, subject to the City's successful completion of analysis required pursuant to the California Environmental Quality Act ("CEQA"). The HVA requires substantial improvements to Port property by 2013 and will likely alter the Port's long-term debt strategy.

This iteration of the Plan looks forward to the Port's next new major challenge and opportunity: preparing for the 34th America's Cup. The waterfront has seen a series of transformative events since the Loma Prieta earthquake in 1989: the removal of the Embarcadero Freeway, the Embarcadero Roadway project, the opening of AT&T Ballpark and the world-class Ferry Building rehabilitation project, among others. Port staff is confident that the 34th America's Cup will stand with these other achievements as a major inflection point in the transformation of the San Francisco waterfront.

1. Renewal Program



Pier reconstruction underway

Just over \$1 billion, or roughly half the overall need identified in the Port's 10-Year Capital Plan, addresses renewal and repair of existing facilities or deferred maintenance. Of the \$772 million that the Port proposes to fund in the 10-Year Capital Plan, approximately \$621 million is allocated to renewal (accompanied by seismic upgrades, where triggered by other work) with the remaining \$151 million allocated to capital enhancements projects.

The Portwide Annual Programs that are funded on a continuing basis in the Port's annual capital budgets include (1) emergency facility repair, a set-aside of funds for unforeseen

situations, available for the most pressing capital needs in subsequent years if the programmed year remains emergency-free, (2) completing renovations in keeping with the Americans with Disabilities Act, and (3) dredging of the bay floor along the waterfront, which maintains the depth of the berths at the Port's piers so that they remain suitable for water traffic.

Other spending plan items include (4) emerging needs, where planning and design of projects are funded in order to position them for non-Port sources of construction funds, (5) capital enhancements, where new assets are being constructed or where development of a facility includes rehabilitation far beyond return to current use, and (6) America's Cup Event Authority ("ACEA") projects, as discussed in detail below.



Piers 27-31

Because of the sheer magnitude of the Port's remaining Annual Program, the Pier/Wharf Substructure Reinvestment program, for the moment, receives little, if any, funding. The Port should reinvest back into the Port's pier substructures 0.75% of the value of those substructures, each year². Unfortunately, because of the cost to do so, the Port has been unable to make the necessary investments to maintain the Port's substructures in good repair.

- **Under Pier Utility Infrastructure.** Prompted by a series of potable water leaks into San Francisco Bay and with direction from the San Francisco Bay Regional Water Quality Control Board, Port staff members have initiated an aggressive program of under-pier inspections. The Port is coordinating this effort with the assistance of its sister agencies, the Department of Public Works ("DPW") and the San Francisco Public Utilities Commission ("SFPUC"). The purpose of the ongoing inspection program is to ascertain the general condition of the sewer and water infrastructure under the Port's piers, and to generate cost estimates for repairs, upgrades and replacements. Preliminary results of this inspection program, as of February 10, 2011, indicate a total need of approximately \$40 million.

The Port continues to partner with the SFPUC to explore low-cost public financing alternatives to address critical water and wastewater needs at the Port. This includes the Auxiliary Water Supply System, improvements for which are to be funded through the recent voter-approved Earthquake Safety & Emergency Response General Obligation Bond program. For other piers, temporary utility rate increases will provide the basis for public financing that will allow immediate investment in troubled facilities. The SFPUC will coordinate with the Port to conduct rate increase sensitivity analyses in order to make determinations about the level of funding this method of financing will support within the first few years of the Port's 10-Year Capital Plan.

² The level of need is calculated based on the cyclical replacement of portions of pier substructures, based on construction type and exposure to tidal action. For example, Port engineers estimate that the Port should rehabilitate 15% of the Port's pre-1920's era concrete piers every 20 years.

To be responsive to the increased activity that will result from the 34th America's Cup, this Plan assumes an expenditure of \$5 million over each of the first two years, with limited repair activity during the event. The first two years of the work would focus on utility infrastructure investment at those facilities that are expected to experience the most race-related spectator and employee activity. These facilities would require the most immediate, preventative attention in order to mitigate risk posed by increased loading on the utility systems from proposed activities. For example, as a keystone to the 34th America's Cup, Pier 27 would experience greatly increased traffic and would be prioritized for repairs in the first year of this Plan. During the race itself in 2013, work will be restricted to facilities in the Port's southern waterfront so as to not disrupt the event. After the 34th America's Cup activity concludes, the Port will regularize its repair schedule, with a leveled expenditure estimated at \$3 million annually, and proceed until all work is complete.³

Major Revenue Bond Funded Projects, Current and Proposed.

- **Pier 35 Cruise Terminal.** To continue the Port's cruise business, which currently consists of approximately 45-65 cruise calls per year, the Port of San Francisco requires at least two cruise berths. Pier 35 is currently the Port's primary cruise terminal and will continue in service after Pier 27 re-opens. In 2009, Port engineers conducted a facility assessment of Pier 35 and found that urgent repairs are needed to the pier superstructure to keep the facility open. Thus, the Port allocated \$5.5 million of the Series 2010 revenue bonds to fund immediate facility repairs. Additional substructure repair and seismic improvements are required to keep the facility operational.
- **Wharf J9 Repairs.** The Port needs to replace the Wharf J-9 seawall that is required to continue the use of the adjoining leased facilities for which the Port proposes to allocate \$5 million in revenue bonds.
- **Pier 48.** The roof at Pier 48 is deteriorating with weather penetration taking place over certain parts of the shed, which has lead to small amounts of dry rot. Good revenue streams and expected future development of the adjacent SWL 337 make this a valuable asset to the Port. The timely replacement of roofs has a strong preventative benefit, further making Pier 48 a good candidate for investment of revenue bond monies. Renewal of roof elements at Pier 48 are currently scheduled for FY 2014, though this could change based on how development proceeds at SWL 337.
- **Infrastructure Financing District Revenues.** In prior iterations of this Plan (issued prior to sharp increases in market volatility in 2008), the Port had identified \$140 million in IFD tax increment bond proceeds from development at Pier 70 and SWL 337. Pier

3 Should the America's Cup return to San Francisco after the 34th Cup, this schedule would be modified to ensure construction activities do not interfere with race events in future years.

70 was identified as the likely recipient of 90% of anticipated IFD funding. The specific areas identified at Pier 70 included general infrastructure, environmental remediation, open space development, pier and wharf repairs, and the Union Ironworks Building. The remaining \$20 million was tentatively identified for investment at Islais Creek and in the Blue Greenway.



Pier 70

Looking toward current plans for development of the Port's SWL 337, the developer's proposal anticipates a phased multi-year project with horizontal development costs of approximately \$125 million and vertical development costs of approximately \$1.5 billion. About 25% of this investment, or approximately \$400 million worth, is expected to occur within the 10-year scope of this Plan. While Port staff assumes that revenues and tax increment arising from development of SWL 337 will likely be realized before 2021, the Plan does not assign SWL 337's projected \$65 million in tax increment debt proceeds to specific uses.

SWL 351 development will ultimately yield the Port a new \$17.5 million open space, the expected result from development negotiations will allow for tax increment to be based off of the larger \$400 million development project. Based on the term sheet with San Francisco Waterfront Partners approved by the Port Commission, the SWL 351 project will include creation of an IFD that is expected to generate \$20 million in tax increment debt proceeds available to fund Port capital infrastructure needs.

- **SB 815 New Revenues.** In 2007, the State legislature adopted legislation (SB 815) that allows for more varied development on some of the Port's seawall lots, and allows the Port to enter into lease terms of up to 75 years (the prior maximum had been 66 years). The legislation also restricts the use of new revenue growth generated by seawall lot leases to 1) repair and seismic upgrades of historic facilities and 2) construction of open spaces required by the Special Area Plan. Seawall Lot 337 is the first development affected by the new legislation. The additional annual income associated with SWL 337 development will help the Port to leverage up to, roughly, \$65 million in municipal bonds. The projected revenue bond monies of \$65 million arising from the proposed development at Seawall Lot 337 are constrained to uses permitted by SB 815 (Senator Carole Migden). These bond proceeds are assigned to historic rehabilitation projects likely to occur later than 2017, as follows:

» **Agriculture Building.** Located in the Ferry Building Area of the Port, the brick building south of the Ferry Building is currently leased through short-term leases for office space and Amtrak's San Francisco ticketing office. The Port is developing a plan to

determine possible new uses for the Agriculture Building, as well as costs to renovate the facility to accommodate the new uses. The Port proposes to allocate \$5 million in SWL 337 revenue bonds to help cover repairs and seismic upgrades.

- » **Northeast Waterfront Piers - Piers 9 and 33.** Located in the Northeast Waterfront area, Piers 9 and 33 currently are leased to numerous different tenants. Port staff members recommend Piers 9 and 33 to be the recipient of some of these revenue bond funds, which will go toward seismic upgrades and long-deferred repairs in order to maintain the existing revenue generation of these piers.

2. Enhancement Program (FY2012 – FY2016)

- **Facilities for the 34th America's Cup.** The HVA requires both the City and the ACEA to make improvements to Port property in anticipation of the 34th America's Cup in 2013. The ACEA is required to make \$55 million in expenditures to improve Port property prior to the Match in 2013. On February 9, 2011, the San Francisco Planning Department published the Notice of Preparation ("NOP") of an Environmental Impact Report ("EIR") for the 34th America's Cup venue sites.

The NOP includes the following project descriptions for uses of Port facilities for the Event (with upgrades necessary for these improvements included in the NOP):

- » **Piers 27-29, and Pier 29 ½.** America's Cup Village, which may draw approximately 25,000-50,000 visitors per day, including up to 600 workers. Access to Pier 27-29, both vehicular and pedestrian, would be controlled. Temporary uses and related improvements for AC Village would include: Food and beverage, and hospitality in the Pier 27 terminal building; Outdoor amphitheater and event seating; VIP hospitality area; Boat display area; AC34 interactive displays; Children's area; Sponsor display areas; Food and beverage vendors; Retail, exhibition and merchandising area; and Pier 29½ – Event staging/back of house.
- » **Piers 30-32.** Improvements to provide up to 10 team bases, for boat working and maintenance, deliveries, storage and ancillary team parking, and controlled public access. Temporary uses and related improvements proposed to support AC34 events at Pier 30-32 would include: Temporary structures including areas for boat lift, boat maintenance, boat storage, offices, and support spaces; Boat lifts for lifting racing yachts in and out of the water; Team hospitality; 850 linear feet of temporary floating boat slips on both the south and north face of Piers 30-32 with retaining pilings and gangways from pier deck. The floating docks would be anchored using piles, gravity anchors or screw anchors; Controlled public access to active boat launch and work

areas on the pier to protect public safety.

- » Piers 26 and 28. Uses would include storage, parking, and regatta and team operations. Either Pier 26 or Pier 28 could be dedicated exclusively to parking use for workers of team support staff working at Piers 30-32, and signage and traffic management improvements necessary to minimize vehicle/pedestrian conflicts along Herb Caen Way.

Other important areas included in the NOP are: Pier 80, for ancillary use as team support; the Pier 32-36 open water basin, for temporary racing yacht mooring; Brannan Street Wharf, for race viewing; SWL 330, for temporary use for parking, and; Piers 19, 19 ½, and 23, for event media, logistical support, and storage uses.

The HVA is subject to completion of environmental review of the Event under CEQA, including a full range of appropriate alternatives and mitigation measures for the Event in its entirety. Since the Event Authority's designation of the City as host for the Event on December 31, 2010, City and Port staff members have been meeting with Event Authority representatives to initiate the CEQA review process.⁴



The 34th America's Cup

To prepare for the 34th America's Cup, the Port would accelerate the design and site preparation for the Pier 27 Cruise Terminal project. The Event would be the first user of the core and shell of a new cruise terminal building as part of its concept for an America's Cup Village at Piers 27-29. During race events, Pier 27 could not be used to receive cruise ship calls.

The Authority would be required to demolish the Pier 27 shed and temporarily move shoreside power installations at Pier 27, reducing the Port's overall project budget for the cruise terminal. The Authority would also demolish portions of the Pier 29 shed consistent with Secretary of the Interior's Standards for the Treatment of Historic Properties.

The Authority would be required to invest approximately \$47 million in Piers 30-32 and \$7.5 million for the Pier 27 and Pier 29 work described above, or make total infrastructure

⁴ The HVA may be subject to further changes in the course of public review of the Event during the extensive approval processes that will follow CEQA review and in response to other City, Port, and public concerns that may arise, and is limited to the uses currently proposed by the Event Authority, and does not cover all potential uses for event venues, which the Port may consider in the course of the approval processes. The HVA may be amended to reflect any subsequent proposal to change the uses, the mix of uses, the intensity of development, or other fundamental terms, subject to Port Commission review and additional CEQA review, if the changes have not already been analyzed. The HVA is not intended to be, and will not become, contractually binding until CEQA review is complete. While the MOU implements certain obligations of the City and the Port in planning for the Event, should it be approved, approval of the MOU does not approve or finalize all of the material terms and conditions of the project.

investments at other Port sites totaling \$55 before the Match in 2013. In order to recover these investments the Authority would receive long term development rights at Piers 30-32 and SWL 330.

General Obligation Bond Funded Projects, Proposed for 2012 Ballot

The Port will participate with the Department of Recreation and Parks in a proposed general obligation bond, currently schedule to be put to voters in 2012. Subject to completing review required pursuant to CEQA for each proposed park location, the proposed \$35 million in funding for Port projects would fund the Port at the same levels as the 2008 Clean and Safe Neighborhood Parks G.O. Bond. The Port staff is considering a number of open space projects in the northern and southern waterfront, including:

- **The Northeast Wharf Plaza.** Passage of the proposed bond would provide \$15 million for a new two-and-a-half-acre public open space adjacent to the planned new Cruise Terminal at Pier 27. This new open space is a park required pursuant to the Bay Conservation and Development Commission's Special Area Plan for the San Francisco Waterfront.
- **Blue-Greenway Parks.** The 2008 Clean and Safe Neighborhood Parks Bond included substantial funding for a series of parks along the Port's waterfront, including Crane Cove and Warm Water Cove Parks. The proposed 2012 Bond would provide new funding to expand both Crane Cove Park and Warm Water Cove Park, as well as add new open spaces at Islais Creek. As with Blue-Greenway projects in the last bond, the final allocation of funding among these Parks would be subject to community input and approval from policy makers.

Major Revenue Bond Funded Projects, Current and Proposed

- **Pier 27 Cruise Terminal Project.** On September 27, 2007, the Port Commission accepted the Cruise Terminal Advisory Panel's recommendation to relocate the Port's primary cruise terminal from Pier 35 to Pier 27. On December 14, 2010, the Port Commission selected design option B2 for the Pier 27 Cruise Terminal. That option contemplates a total project budget of \$114,100,000. The Port has \$30,100,000 of funding in hand from the Series 2010 Revenue Bonds, the Watermark Sales Proceeds and deferred land sales proceeds and plans additional Port funding of \$16.75 million. The project budget anticipates \$45,792,381 in non-Port sources, including City funding, ACEA shed removal funds, security grant funding, and City General Obligation bond funding to complete the Northeast Wharf Plaza at Pier 27. There is a current project shortfall of \$21.5 million.

Piers 19 and 23. These piers are located near one another in the northern waterfront. They require repairs and seismic upgrades and are currently without any long-term leases. The Series 2010 revenue bonds include \$3.5 million to repair the Pier 19 roof to enable continued interim leasing of that facility. The Pier 19 bulkhead is also a potential location to co-locate emergency response facilities which could include a marine fire station, marine police units, and other agency facilities. The Series 2010 revenue bonds also include \$2 million in design funding for further improvements to either Pier 19 or Pier 23.

Port staff envisions a mixed use development project at either Pier 19 or Pier 23, subject to approval by the Port Commission, the Mayor, and the Board of Supervisors. Staff projects that the cost of a mixed use, adaptive reuse project at either Pier 19 or Pier 23 would be \$85 million, based on certified costs to construct Pier 1 and construction cost inflation since Pier 1 opened. This project is dependent on developing a financially-feasible mixed use program consisting of interim non-trust and public trust uses, consistent with a proposed interim leasing policy for Port historic structures pending Port Commission consideration. Other funding for the Pier 19 or Pier 23 project would include funding from lease revenues, IFD revenues, federal historic tax credits, and private equity.

- **Pier 90-94 Backlands.** The Port's largest unleased area of Port property is the Pier 90-94 Backlands, an area of unengineered fill not suitable for commercial buildings without the inclusion of costly pile supported foundations. The Series 2010 revenue bonds include \$8 million in funding for new road and utilities to support new leasing plots that are planned for the site. DPW staff is currently developing construction documents. Port staff expects the design will be completed by the end of 2011, and the project will be advertised for bids sometime in spring of 2012. Construction is expected to be completed by the end of 2012.
- **Development Projects.** The Port's development projects are public-private partnership projects in which a developer enters into a lease of up to 66 years with the Port for property, secures financing and is responsible for project delivery. The Pier 15-17 development project began construction in November 2010. As previously noted, cost estimates included in this Plan include only repair and replacement costs and seismic upgrades the Port would need to conduct in order to continue operating these facilities for current uses. The description below includes enhancements The Exploratorium is making to facilities to change their use; these changes go beyond the repairs, replacements, and seismic upgrades identified in the Port's 10-Year Capital Plan, and so their costs are not included below:

- » **Piers 15-17.** The Port has executed a Lease Disposition and Development Agreement and long-term Lease with The Exploratorium to renovate Piers 15-17 and relocate The Exploratorium museum there from its current location at the Palace of Fine Arts. The Exploratorium will lease Pier 15 and develop it for museum and ancillary uses, with the idea of expanding into Pier 17 in later years. Piers 15 and 17 are located in the Northeast Waterfront on The Embarcadero at Green Street. The final development budget submitted before commencing construction in November 2010 is \$205 million funded by The Exploratorium.

- » **SWL 337.** Following extensive public input and a Request for Qualifications phase, the Port Commission awarded a Request for Proposals for the development of an approximately 16 acre site immediately south of AT&T Park. The selected development team, SWL 337 Associates, LLC, proposes an urban mix of uses which may include office, rental residential and retail plus more than 5 acres of open space. The developer has stated order of magnitude project costs at \$1 billion with total infrastructure costs estimated at approximately \$200 million. The Port and development team have entered into an Exclusive Negotiation Agreement ("ENA") specifying the obligations of each party. The ENA contemplates commencing public outreach to shape the development program in 2011 and the securing of entitlements in 2012 and 2013.

- » **SWL 351.** In 2008, the Port sought development proposals for a two-thirds of an acre site at the Embarcadero and Washington Streets along the Ferry Building Waterfront that is currently used as a surface parking lot. In February 2009, the Port Commission authorized exclusive negotiations with San Francisco Waterfront Partners to combine the site with the adjacent tennis club property for a 3 acre mixed use project with a rebuilt recreation club, condominiums, restaurants, retail and a new public park. The project proposal was refined in part through a public planning process led by the City's Planning Department – The Northeast Embarcadero Study was completed in July 2010. A Term Sheet outlining the refined project and financial terms was approved by the Port Commission in September 2010 and is awaiting Board of Supervisors approval.

- **General Obligation Bond Projects.** In February 2008 San Francisco voters approved a \$185 million General Obligation bond for park and open space improvements throughout the City, of which \$33.5 million has been allocated to fund or partially fund Port open space improvements across the Port's waterfront.

Total 2008 G.O. Bond Park Funding Allocated to Port Projects

Port Area	Proposed Park	Project	G.O. Bond Funding
Fisherman's Wharf	Pier 43½ Park	Pier 43½	\$9,000,000

South Beach	Brannan Street Wharf Park	Brannan St. Wharf	3,000,000
China Basin	Bayfront Park	Blue Greenway Project	21,500,000
	Crane Cove Park		
	Warm Water Cove Park		
	Islais Creek		
Southern Waterfront	Heron's Head Park Entrance		
		Total:	\$33,500,000

As a part of the reporting requirements for this Bond, Port staff post monthly updates on each of these projects at: <http://parkbonds.sfgov.org/2008/>. Additionally, Port staff members, together with Department of Recreation and Parks staff members, report more comprehensively on a quarterly basis to the City's Citizen General Obligation Bond Oversight Committee. These reports are also available on the reporting website noted above. Three of the Port's General Obligation Bond parks - Pier 43 ½ Park, Bayfront Park, and Brannan Street Wharf - are scheduled to go to construction in the first year of this Plan, FY 2012. Pier 43 ½ and Bayfront Park should be complete prior to the start of FY 2013; Brannan Street Wharf is scheduled for completion in June of 2013.

3. Enhancement Program (FY2017 – FY2021)

- **United States Department of Transportation.** Looking toward emerging sources of federal funding, the Port has been included in the City's request for inclusion in the next major transportation reauthorization act. If awarded, the Port could see funding from this source ranging from \$15-30 million. Because it is impossible to predict when the next transportation authorization bill will be signed into law, if the Port is able to make these enhancements it is likely that they will take place in the second half of this Plan. The candidate projects are:

- » **Cargo Way.** A ¾ of a mile roadway in the southeast section of San Francisco that is a primary access route serving a number of active development and redevelopment projects. The City has developed a plan to rebuild the roadway that would address a number of project goals, including providing direct access to support the Candlestick Hunters Point Shipyard Redevelopment Area, supporting the Port of San Francisco's maritime eco-industrial park, closing a gap and providing safe pedestrian and bicycle facilities along the Bay Area's nine-county Bay Trail and the City's Blue Greenway, and improving Bay water quality by reducing a significant amount of wastewater being sent to the City's over-capacity Southeast Water Treatment Facility. In addition, this project is included in the San Francisco Bi-County Transportation projects and the Bayview Transportation Improvements projects.
- » **20th Street Extension.** 20th Street within the Historic Pier 70 Area is the primary access route serving one of the City's most important historic districts. The existing 20th

Street requires upgrading to accommodate modern transportation and infrastructure. This is needed in order to extend and connect the area into the regional transportation system, providing a connection to a planned 20th Street Ferry Terminal and closing a gap in the 9 county regional Baytrail system. An improved 20th Street will provide the necessary infrastructure to allow for significant new infill development and the adaptive reuse of some the City's most important historic resources.

4. Deferred and Emerging Needs

- **The Seawall.** Though Water Resource Development Act (WRDA) legislation is intended to be biennial, as a matter of practice, these new authorizations are passed into law much less frequently. As the separation between the last two WRDA authorizations was seven years, this Plan assumes the same, and predicts there will be a WRDA 2014. Based on discussions in 2009 of a possible WRDA 2010, Port staff submitted to House of Representatives Speaker Nancy Pelosi and Senators Barbara Boxer and Dianne Feinstein language to amend the Port's existing WRDA 07 authorization to increase the amount of funding authorized, and to make eligible appropriations for seawall construction or repair and removal of derelict pilings. This amendment language will be resubmitted when there are calls for a new WRDA. Any appropriation of these funds following a new WRDA authorization would be in response to a multi-year study of the seawall conducted by the Army Corps of Engineers. Because the results of that study will not be known for some time, this Plan considers improvement of the seawall an emerging need.

Moscone Convention Center

The Moscone Convention Center consists of three facilities: Moscone South (opened in 1981), Moscone North (opened in 1992) and Moscone West (opened in 2003). Together they draw over one million attendees and exhibitors per year and make a substantial contribution to the \$8 billion in annual economic impact generated by San Francisco's travel and tourism industry.

Tourist Improvement District

In December 2008, the San Francisco Convention and Visitors Bureau formed the first citywide Tourist Improvement District, or TID. A unique 15-year public-private capital improvement program, the TID provides a source of capital funds for the modernization of the Moscone Center. In exchange for the City issuing up to \$45 million in Certificates of Participation (C.O.P.s) to renovate and improve Moscone, San Francisco hotels have agreed to assess themselves up to 1.5 percent of the gross revenues they receive from tourist rooms. This assessment will more than double the City's hotel-specific marketing and sales programs and generate \$22 million for aesthetic improvements to Moscone over the next five years. While the amount for aesthetic improvement is less than half of original estimates due to lower than expected hotel revenue, these funds will contribute greatly to the visitor experience. The goal is to complete the capital improvements by early 2012 and to maintain the competitiveness of San Francisco as a convention destination.

The TID has begun the replacement of the air walls in Moscone North Hall E and upgrading of the Life Safety Systems in Moscone North and South.

1. Renewal Program

As mentioned above, the City is committing a portion of its hotel tax to finance an additional \$27 million to the \$18 million that has already been provided for basic renewals, primarily at Moscone North and South. These funds are going toward leak repairs; elevator, escalator, and airwall replacements; and HVAC, bathroom, and new interior finishes such as painting and carpeting. After the first five years of the TID, the City's General Fund will once again pay for renewal needs at Moscone.

2. Enhancement Program (FY 2012-2016)

The \$22 million generated by tourist room assessments will finance the installation of new digital flat-panel displays, the replacement of lobby furniture, the replacement and modernization of glass entry doors and the planning and design costs for the possible future expansion of the convention center.

3. Enhancement Program (FY 2017-2021)

The investment of the TID and the C.O.P.s will eliminate Moscone's existing backlog and make several enhancements to maintain San Francisco's competitive advantage.



Moscone Convention Center

4. Deferred and Emerging Needs

The San Francisco Convention & Visitors Bureau (SFCVB) has been evaluating expansion scenarios to meet existing and potential customer demand for expanded contiguous exhibit space at Moscone South & North. In fall 2009, Economics Research Associates (ERA) conducted a "Feasibility & Economic Impact Analysis for the Proposed Moscone East Expansion" that concluded:

- San Francisco would likely see a decline in its convention business beginning in 2018 unless Moscone is expanded to meet anticipated client needs.
- Adding approximately 104,000 square feet of contiguous exhibit space to Moscone South's Halls A-C, as well as additional above-ground meeting room space, would produce a significant return on investment for the City and its convention and tourism industry, including an annual incremental impact of \$343 million in attendee spending and 2,350 local jobs.

The SFCVB and Department of Public Works are currently seeking predevelopment funds to begin the planning process in 2011. In a best-case timeline, this would lead to an expansion that brings additional convention business to San Francisco beginning in 2018. While the TID has proposed to split predevelopment costs, there are no other specifically identified funding sources at this time.



Moscone West as seen from Yerba Buena Gardens

Redevelopment Project Areas

Mission Bay

This 303-acre project, initiated in 1998 and adjacent to the San Francisco Giants' AT&T Park, will include nearly five million square feet of commercial and biotechnology space, thousands of housing units, 500,000 square feet of retail, a hotel, nearly 50 acres of public open space, a new public school, fire and police stations and a new public branch library. At the heart of the development is the state-of-the-art University of California San Francisco (UCSF) life sciences campus—at full build-out, it will be home to over 9,000 researchers and staff, as well as a new hospital serving women, children and cancer patients. Nearby are the Gladstone Institute (a 180,000 square foot private research facility dedicated to cardiovascular diseases, virology and immunology and neurological disease) and the California Institute of Regenerative Medicine (or CIRM, the state agency that will provide \$3 billion in funding for stem cell research over the next 10 years).

More than 3,100 residential units have been completed, of which approximately 675 are preserved for lower income households, and an additional 200 units are anticipated to start construction in the coming year. With the continuing development of the new UCSF campus, the market for lab and office space has increased, with over 1.5 million square feet of private office and biotechnology space completed and over 185,000 square feet of additional space under construction. Fibrogen recently moved its headquarters to Mission Bay. Finally, the new T-third light rail line now connects the community to Downtown and, to date, more than 12 acres of new public open space have been completed.



Aerial view of Mission Bay project area

The redevelopment of Mission Bay has been a highly cooperative effort, involving the public, master developer (originally Catellus Development Corporation, now FOCIL-MB, LLC), individual for-profit and non-profit developers, the Redevelopment Agency, the Office of Economic and Workforce Development's Joint Development Division, and a wide range of other City agencies.

Treasure Island

This former naval base, which ceased operations in 1997, consists of approximately 365 acres on Treasure Island and 90 acres on Yerba Buena Island. The development plans for Treasure Island include 6,000 new residential units (30% of which will be offered at below market rates), three hotels, a 400-slip marina, restaurants, retail and entertainment venues—plus nearly 300 acres of parks and open space. The development is clustered around a new ferry terminal and intermodal transit facility and is designed to prioritize

walking, biking and public transit. The development plan includes cutting-edge green building elements and is projected to be the most environmentally sustainable large development project in U.S. history.



Aerial schematic of Treasure Island redevelopment

In early 2000, the Treasure Island Development Authority (TIDA) initiated a master developer selection process, culminating in the selection of Treasure Island Community Development, LLC (TICD): a partnership including Kenwood Investments, Lennar Corporation, Wilson Meany Sullivan, and Stockbridge Capital. The City of San Francisco, acting by and through TIDA as the local redevelopment authority, is responsible for the long-term redevelopment planning of Treasure Island.

The Development Plan and Term Sheet for Redevelopment of Naval Station

Treasure Island was endorsed by the TIDA Board of Directors and the San Francisco Board of Supervisors in December 2006. The project would be constructed using funding sources (i.e. tax exempt public financing mechanisms such as tax increment financing and Mello Roos bonds) that result from the value created by the redevelopment.

Next steps in the project implementation phase include negotiating the terms of a comprehensive Disposition and Development Agreement with TICD and engaging multiple agencies, organizations and stakeholders as required to execute the many components of the Development Plan. Other priorities include completing the CEQA environmental review process and adoption of a redevelopment plan per California Redevelopment Law. These efforts will continue over the next year, with the goal of receiving final project approvals from the TIDA Board and the Board of Supervisors in 2010. The first phase of construction is expected to begin in 2011 and will consist primarily of horizontal infrastructure improvements (utilities, geotechnical stabilization, intermodal transit terminal, etc) to enable subsequent phases of vertical construction. The complete build out of the Development Plan is anticipated to occur in four major phases over the next 10-15 years.

Hunters Point Shipyard Phase 2 / Candlestick Point

The former Hunter's Point Naval Shipyard and Candlestick Point comprise over 700 acres of waterfront land along San Francisco's southeastern shores. The development project is designed to provide over 10,500 residential units, a significant portion of which will be offered at below-market rates; over 300 acres of new waterfront parks, including a new "Crissy Field of the South"; approximately 800,000 square feet of destination and neighborhood retail and entertainment space; and over 2.5 million square feet of commercial space oriented around a "green" science and technology campus targeting emerging technologies. The project is also being designed to accommodate a world-class football stadium for the San Francisco 49ers.

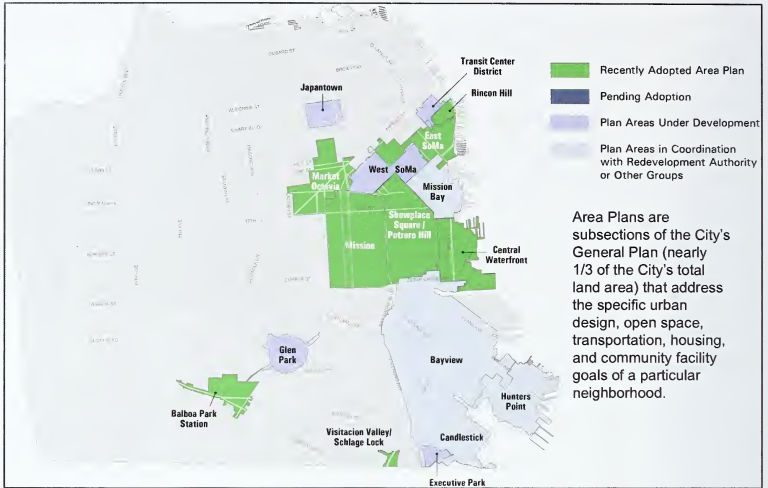
The first phase of the Shipyard's development is already underway (Shipyard Phase 1). Up to 1,600 homes and 25 acres of open space will be built on Shipyard "Parcel A." Lennar/BVHP, the City's development partner for Shipyard Phase 1, will begin construction on the first homes in early 2010. The balance of the Shipyard development (Parcels B through E) will be built in association with Candlestick Point as one development project. In May 2007, the Board of Supervisors and the Mayor approved a resolution endorsing a "Conceptual Framework" for the two sites. Building upon the Conceptual Framework, in June 2008 62 percent of San Francisco voters approved the "Bayview Jobs, Parks and Housing Initiative" (Proposition G), which outlined the goals and principles upon which the City may move forward with redevelopment of the integrated area. Next steps include the certification of the Final Environmental Impact Report, Redevelopment Plan Amendments, General Plan Amendments, and the Disposition and Development Agreement between the Redevelopment Agency and the master developer for the integrated site.



*Bayview Hunter's Point &
Candlestick Point Site Plan*

The integrated development of the Shipyard and Candlestick Point is one of the largest redevelopment projects in the history of San Francisco. Therefore the need for partnership among public and private agencies and community groups is virtually unprecedented. Key partners include the master developer Lennar Communities; the San Francisco Redevelopment Agency; the San Francisco Departments of Economic and Workforce Development, Recreation and Parks, and Planning; California State Parks; the Bayview Hunters Point Project Area Committee; and the Mayor's Hunters Point Shipyard Citizens Advisory Committee.

For more information on the Bayview Hunter's Point redevelopment area, see the San Francisco Redevelopment Agency website at:
www.sfredevelopment.org



The Planning Department is engaged in several community-based planning initiatives to encourage housing, enhance neighborhoods, support infill around transit, and update zoning to accommodate growth while maintaining livability and neighborhood character. The resulting twenty-year Area Plans form subsections of the City's General Plan, addressing the specific urban design, open space, transportation, housing, and community facility goals of a particular neighborhood. Each Area Plan recommends a host of specific infrastructure projects designed to support new residential and commercial development.

The City has recently adopted Area Plans in Rincon Hill, Market & Octavia, Bayview Hunter Point, the Eastern Neighborhoods, Visitacion Valley and Balboa Park and planning processes are well underway in Transbay, Japantown, Glen Park, and some smaller targeted areas. These Area Plans comprise nearly one-third of the City's total land area.

Successful plan implementation will not only require near term investments in the areas' streets, sidewalks and parks, but also longer term improvements to the City's infrastructure, including transit and community facilities. While each Plan's Community Improvement Program has a funding strategy, in most cases identified funding will not meet expected costs. This year the Planning Department, in coordination with other City agencies, has begun working to fill that gap by securing grants and initiating work on other funding mechanisms.

Area Plan Implementation Advancements

Near-term priority projects with identified funding have been moved from emerging needs within the Planning Department's chapter to funded projects within the implementing agencies' chapters of this plan. Remaining infrastructure improvements identified by each community planning process will be moved in future years once funding is secured. Until then, infrastructure projects are considered emerging needs in the schedule at the end of this chapter, organized by the City department that will ultimately implement them.

The City's Interagency Plan Implementation Committee (IPIC) is working with each Area Plan's Citizen Advisory Committee (CAC) to prioritize future infrastructure improvements. Additionally, the Planning Department and Capital Planning Program are working with the implementing departments to identify additional state and federal grants, General Fund monies, or other funding mechanisms such as land secured financing or Infrastructure Finance Districts to fund the remaining emerging needs. In the past year, the City has secured the following grants to complete priority plan-identified infrastructure:

Market & Octavia	Haight & Market Street transit and pedestrian improvements	\$2.8 Million - 80% grant funded MTA, Planning
Balboa Park	Phelan Loop transit improvements and public plaza	\$6 Million - 50% grant funded MTA, Planning, MOEWD
Eastern Neighbor- hoods	17th and Folsom Open Space	\$5 Million – 50% grant funded RPD, Planning
Other Streetscape Projects	Cesar Chavez Streetscape Improvements	\$10.5 Million – 65% grant funded DPW, MTA, Planning
	Newcomb Avenue	\$1.4 Million – 50% grant funded
	Broadway Avenue	Planning Grant
	Civic Center Sustainable Design	Planning Grant

The proposed schedule in this capital plan will be amended based on CAC input, grant funding, and additional input from the IPIC.

Rincon Hill

The Rincon Hill Plan provides the blueprint for a new high-density neighborhood just south of the Financial District. With over 3,600 new residential units planned in Rincon, and another 3,200 new units planned in the adjacent Transbay Redevelopment Area, this downtown neighborhood plan creates housing for over 15,000 new residents.

The Rincon Hill Plan recommends a comprehensive program of public improvements to support new residents, including extensive streetscape improvements and pedestrian safety projects along Folsom Boulevard, Main, Beale, and Spear Streets; new open space including a large proposed park on Harrison Street and a smaller "pocket park" on Guy

Successful plan implementation will not only require near term investments in the areas' streets, sidewalks and parks, but also longer term improvements to the City's infrastructure, including transit and community facilities.

IPIC coordinates with each CAC, develops criteria and recommendations, identifies departmental collaboration opportunities, and reports to the Capital Planning Committee and Board of Supervisors on the progress of project implementation and funding. IPIC membership includes the City Administrator's Office, MTA, DPW, RPD, SFCTA, and Planning Department.

Street; a community center at the Sailor's Union of the Pacific building; and enhancements to library resources. DPW, RPD, and the Library share responsibility for these Rincon Hill improvements.

Funding for these improvements will be partially provided through development impact fees in the form of direct cash payment, in-kind contributions, or participation in a Mello-Roos assessment district. However, impact fees are anticipated to cover less than 50 percent of the approximately \$37 million required for all recommended projects, and other sources of funding will be required. With development activity substantially diminished due to the economy, anticipated development fees are delayed, resulting in a significant shortfall for projects that have already started or are about to begin. The City currently owns land and is waiting for additional funding to build out Guy Place Park. Recently, project sponsors have proposed the City's first Infrastructure Finance District in Rincon Hill to address the infrastructure funding gap.

Market & Octavia

The Market & Octavia Plan envisions 6,000 new residential units housing 10,000 additional people in the Market and Octavia neighborhood. To accommodate this projected growth, the plan calls for enhancements to parks and open space, streetscape and pedestrian rights of way, and community facilities. These enhancements include the upcoming Van Ness Bus Rapid Transit Project, new open space in McCoppin Square north of Valencia Street and Brady Park on Brady Street, new childcare facilities, enhancements to library facilities and "living streets and alleys", street tree plantings, and corner bulb-outs at key pedestrian intersections. DPW, RPD, DCYF, the MTA, and the Library will share responsibility for these improvements.

The Planning Department estimates impact fee revenue and secured grants will support \$137 million dollars of infrastructure during the first ten years of this Capital Plan (Phase I). Known revenue streams include an impact fee on new residential and commercial development, a density bonus program, central freeway ancillary project funds, and the funding secured for the Van Ness Bus Rapid Transit project. The Department is also evaluating additional revenue sources such as assessment districts, additional fees, and competitive grants.

Potential projects in the next 5 years include improvements to the Haight Street bus operations, various pedestrian improvements, enhancements to Hayward Park, and other streetscape improvements.

Eastern Neighborhoods

The Eastern Neighborhoods re-zoning effort creates the potential for up to 10,000 new

For more information on the revenue sources under consideration see the Eastern Neighborhoods Infrastructure Finance Working Group's July 2009 report "*Strategies for Funding Public Improvements in the Eastern Neighborhoods Area Plans*" available at www.onesanfrancisco.org

residential units, and over 13,000 new jobs. A significant portion of this new development will occur in formerly industrial areas lacking in the services and infrastructure necessary for a livable neighborhood. The plan's Improvements Program addresses these infrastructure needs. Several of the short-term improvements, programmed for the first five years of Plan implementation, have been specifically identified. Many of the longer-term projects require additional planning work before the scope and costs are understood.

The Community and the Board of Supervisors identified short-term priority capital projects include:

- Extension of the MUNI 22-Fillmore along 16th Street east of Kansas Street to a terminal on Third Street;
- Pedestrian improvements along Townsend Street adjacent to the Caltrain Station and to Victoria Manalo Draves Park from the SOMA Eugene Friend Recreation Center and the Bessie Carmichael School;
- Streetscape improvements to Folsom Street as a "civic boulevard" in the South of Market and to 16th street alongside the MUNI 22-Fillmore extension;
- New park at 17th & Folsom Streets and a new public open space in Showplace Square.



Proposed Park at 17th and Folsom

The Planning Department estimates all capital improvement costs – including the short-term priority projects described above – will total between \$244 million for a basic set of improvements and \$395 for full funding of all recommended projects. To meet these capital needs, the Department has identified a number of existing revenue sources, including the newly adopted Eastern Neighborhoods Impact Fee which will address \$53 million (less than a quarter) of these costs. The City is continuing to evaluate future revenue sources, including active pursuit of state and federal grants, consideration of a permanent "special fund" set aside, and an Infrastructure Finance District (IFD) to meet the remaining funding needs.

Balboa Park

The Balboa Park Station Area Plan lays out a two-part redevelopment vision. The first component of the vision aims to bring more housing opportunities close to transit along the main streets of Geneva, Ocean, Phelan, and San Jose Avenues, and in the area surrounding the station. These housing opportunities aim to provide approximately 1,800 housing units over the next 20 years. The second component includes dramatically re-engineering the area's public facilities and public realm, including redesigning the main streets in the plan area, improving transit service and transit facilities, and creating a new open space



Balboa Park Station Plan

system comprised of parks and plazas. The Planning Department estimates capital improvement costs will total approximately \$77.3 million dollars. The Balboa Park Station Area Plan includes an impact fee which will be a new source of revenue, however there still exists a deficit in the next ten years. The Plan identifies future potential revenue sources to fill roughly \$20 million of this gap.

Visitacion Valley / and Bayview Hunter's Point

The Visitacion Valley Redevelopment Program envisions the former Schlage Lock factory redeveloped into a transit-oriented mixed use development. The plan calls for the creation of over 1,200 new residential units, a mid-sized grocery store, and other neighborhood commercial ground floor retail. It also includes three new interconnected neighborhood parks of different sizes as well as a community plaza, the extension of the Visitacion Valley street grid throughout the Schlage Lock property, and the integration of Leland Avenue into the site. Finally, the plan supports strategic infill development and a number of community improvements outside the Schlage site, along Bayshore Boulevard and Leland Avenue.

The Bayview Hunter's Point Area Plan provides a general outline for community development in the Bayview, including additional housing, recreation, open space, and public service facilities, and better addressing transportation deficiencies by offering a wider range of transportation options.

Area Plans in Visitacion Valley and Bayview Hunter's Point are contained in designated redevelopment project areas. The capital improvements proposed in these neighborhood are therefore the responsibility of the San Francisco Redevelopment Agency.

Other Plans Under Development

The Planning Department also has several other planning efforts underway that will result in proposed public improvements, including streetscape improvements, open space acquisitions and improvements, and transportation and circulation changes. Many of these planning efforts are currently developing a community improvements program with related cost and revenue projections (see below for a summary of major efforts).

- **Central Corridor.** The Plan will develop an integrated community vision for the southern portion of the Central Subway rail corridor, with the goal of coordinating transit-supportive land uses with public improvements. The project is expected to launch in early 2011.
- **Transit Center District Plan.** [Coordinated with the SFRA and the Transbay Joint Powers Authority (TJPA)] The Plan will result in a net addition of approximately 9 million square feet of space, including about 6 million square feet of office space, over 1,000 housing units, and additional hotel and retail space. Key capital improvements associated with the project include:

- » Completion of the Transit Center, which includes the downtown rail extension for Caltrain and High Speed Rail.
- » Streetscape Improvements and Pedestrian Circulation: \$278 million
- » Open Space: \$116 million
- » District Heat & Power: \$75 million
- » District Recycled Water: \$79 million

New funding mechanisms tied to development will be proposed, and a large portion of this revenue will go toward the Transit Center project. There will likely be a significant capital shortfall for the Transit Center project which the Transbay Joint Powers Authority (TJPA) is working to close.

- **Glen Park.** [In coordination with MTA] A planning process is underway to develop a community plan for the “downtown” Glen Park neighborhood, including the commercial area, the BART station area, city streets, and public open spaces. Key capital projects associated with the project include:
 - » Pedestrian and streetscape improvements;
 - » Redesign of the BART plaza;
 - » Near and long-term San Jose Avenue roadway and streetscape improvements;
 - » Traffic calming projects;
 - » Bicycle network projects;
 - » Improved ADA access to the BART station and Muni J-line platform; and
 - » Greenway connection to Glen Canyon Park.

Funding for these projects comes primarily from Federal and State grants, with the City's General Fund supporting the match requirements.

- **Japantown.** A community planning process is currently underway, intended to address land use and infrastructure improvements. The draft plan currently includes the following key capital projects:
 - » New linear park on a portion of the Webster Street right-of-way between Geary and Sutter
 - » Improvements to Peace Plaza
 - » Streetscape improvements along Post Street and other key streets in Japantown.

- **Fisherman's Wharf.** [In coordination with the Port] This is a community-based planning process to improve the quality and attractiveness of pedestrian spaces in Fisherman's Wharf. Key capital projects associated with the project include:
 - » Jefferson street redesign ~ \$15 million. Multimodal street redesign to improve pedestrian, bicycle and transit conditions while significantly expanding public open space opportunities along the Fisherman's Wharf corridor. The plan expects to complete environmental review by the end of April 2011
 - » Aquatic Park Plaza ~ \$3 million. Convert surface parking lot located at the end of Jefferson Street to a pedestrian plaza.
 - » Taylor Street Improvements ~ \$1 million. Link the cable car turnaround to Fisherman's Wharf.
 - » Columbus Ave Terminus ~ \$750,000. Link Joseph Conrad Square with adjacent sidewalk and create a plaza.
 - » Dynamic Parking Wayfinding Signage ~ \$1 million. Improve vehicle circulation by directing cars to available off-street parking spaces.

Economic Development

Program / Project	Prior Years					FY 2017 -	
	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2021	Plan Total
SPENDING PLAN							
Port of San Francisco	217,210	100,131	43,550	47,550	11,550	387,450	807,441
Moscone Convention Center	17,310	20,053	14,571	20,843	2,251	16,833	91,862
Mission Bay Redevelopment	45,339	23,138	26,177	79,435	74,947	125,084	374,120
Treasure Island Redevelopment	137,444	169,136	99,870	98,798	95,234	465,570	1,066,053
Hunters Point Redevelopment	28,425	143,315	96,202	202,243	172,462	1,102,969	1,746,616
Planning Department	97,747	5,990	45,842	49,257	23,554	78,519	223,937
TOTAL	213,225	452,718	501,616	329,628	469,644	379,998	4,310,029
REVENUES							
General Fund				1,998	2,251	16,833	21,082
Revenue Bonds	28,500	10,842	27,951				67,294
Local - Other Sources	5,000	5,000	3,000	3,000	3,000	15,000	34,000
2008 Clean & Safe Neighborhood Parks Bond							18,581
2014 Neighborhood Parks & Open Space Bond		11,581	7,000				35,000
Port Funds & Tenant Responsibility	12,510	8,550	8,550	8,550	8,550	120,750	167,460
Development Projects	500						500
Tourist Improvement District Assessment	3,810	9,211	11,620	18,846		43,487	
Land-Secured Financing (TIF, IFD, Mello Roos)	115,478	24,039	81,679	119,370	160,161	1,390,477	2,053,454
America's Cup Event Authority		55,000					55,000
Private Capital	352,169	253,910	102,880	221,314	63,601	535,960	1,529,835
Planning Department Area Plan Sources	97,988	6,384	45,075	49,394	21,700	22,809	205,253
Federal	20,200					20,200	40,400
TOTAL	213,466	453,113	480,849	470,569	377,940	2,159,110	4,271,346
Total San Francisco Jobs/Year	2,963	3,145	2,157	3,078	2,472	14,121	27,835
Annual Surplus / (Deficit)							
	395	(20,767)	137	925	(2,056)	(17,315)	(38,684)

Departmental Breakdown Port of San Francisco

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
<i>SPENDING PLAN</i>							<i>DEFERRED</i>
Emergency Facility Repair	5,017	100	100	100	100	500	5,917
ADA	200	175	100	230	920	500	2,125
Emerging Needs		100	200				300
Dredging	7,296	3,295	3,376	4,500	3,766	21,125	43,358
Repair / Reinvestment	108,698	9,880	32,774	7,720	6,764	328,825	494,660
Enhancements	96,000	11,581	7,000	35,000		36,500	186,081
America's Cup - ACEA Projects		55,000					55,000
America's Cup - City Projects		20,000					20,000
TOTAL	217,210	100,131	43,550	47,550	11,550	387,450	1,551,245
<i>REVENUES</i>							
Port Capital Budget	12,510	8,550	8,550	8,550	8,550	42,750	89,460
US Department of Defense	3,000						3,000
US Army Corps of Engineers	7,800					20,200	28,000
FEMA	9,400						9,400
BAE Systems	500						500
2008 Clean & Safe Neighborhood Parks Bond		11,581	7,000				18,581
2014 Neighborhood Parks & Open Space Bond				35,000			35,000
SPUC Assisted Public Financing	5,000	5,000	3,000	3,000	3,000	15,000	34,000
Exploratorium Development Project	164,000			1,000			165,000
Port Revenue Bonds	15,000		25,000				40,000
Port Tenant Improvements						78,000	78,000
IFD Bonds						231,500	231,500
America's Cup Event Authority		55,000					55,000
TOTAL	217,210	80,131	43,550	47,550	11,550	387,450	787,441
<i>Total San Francisco Jobs/Year</i>	<i>1,421</i>	<i>524</i>	<i>285</i>	<i>311</i>	<i>76</i>	<i>2,534</i>	<i>5,150</i>
Shortfall	(20,000)						(20,000)

Moscone Convention Center

Program / Project	BACKLOG	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
State of good repair renewal - Need	768	7,308	7,673	8,057	8,459	8,882	51,534	91,913
<u>SPENDING PLAN</u>								<u>DEFERRED</u>
Renewals		13,500	10,842	2,951	1,998	2,251	16,833	48,375
Modernizations & Aesthetic Improvements		3,810	9,211	11,620	18,846			43,487
TOTAL		17,310	20,053	14,571	20,843	2,251	16,833	91,862
								15,394
<u>REVENUES</u>								
General Fund					1,998	2,251	16,833	21,082
Revenue Bonds		13,500	10,842	2,951				27,294
Tourist Improvement District Assessment		3,810	9,211	11,620	18,846			43,487
TOTAL		17,310	20,053	14,571	20,843	2,251	16,833	91,862
Total San Francisco Jobs/Year		113	131	95	136	15	110	601

Mission Bay Redevelopment

Program / Project	Prior Years	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
<u>SPENDING PLAN</u>								
Infrastructure Costs		40,565	17,449	20,301	72,893	67,177	65,994	284,379
Affordable Housing		4,547	5,418	5,596	6,230	7,400	56,276	85,468
Other Costs (Agency Costs)		227	271	280	312	370	2,814	4,273
TOTAL		45,339	23,138	26,177	79,435	74,947	125,084	374,120
<u>REVENUES</u>								
Tax Increment Financing		24,039	15,438	21,177	37,635	23,734	171,247	293,270
Private Capital		21,300	7,700	5,000	41,800	49,900	(44,849)	80,851
TOTAL		45,339	23,138	26,177	79,435	73,634	126,398	374,120
Total San Francisco Jobs/Year		326	167	188	572	530	910	2,694
Annual Surplus / (Deficit)						(1,314)	1,314	
Cumulative Surplus / (Deficit)						(1,314)		

Treasure Island Redevelopment

Program / Project	Prior Years	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
<u>SPENDING PLAN</u>								
Property Acquisition/Assumption	13,467	8,978	8,978	8,978				26,934
Infrastructure Costs	35,799	70,217	78,409	29,331	33,166	36,649	148,686	396,458
Transportation Program (Ferry Terminal, Boats, Buses, Shuttles, Parking)	4,220	8,441	8,831	12,933	17,840	8,622	59,971	116,638
Affordable Housing	11,120	21,883	30,471	19,497	20,794	18,243	76,938	187,826
Environmental Remediation	1,030	2,184	2,477	1,842	1,313	2,172	17,052	27,050
Historic Rehab, Retail Subsidy & Fiscal Mitigation Payments	7,350	7,499	11,160	7,844	2,670	4,201	37,228	70,602
Other Costs (Entitlement, Marketing, Project Management, et al.)	37,828	8,056	12,807	8,849	8,770	9,740	27,007	75,228
Inflation to Costs	4,664	10,176	16,004	10,597	14,245	15,607	98,688	165,317
TOTAL	115,478	137,444	169,136	99,870	98,798	95,234	465,570	1,066,053
<u>REVENUES</u>								
Mello Roos			60,399	43,994	45,000	66,796	144,538	380,728
Tax Increment Financing						53,004	228,178	281,182
Private Capital		137,444	108,737	55,876	53,798	(24,566)	92,854	424,143
TOTAL	115,478	137,444	169,136	99,870	98,798	95,234	465,570	1,066,053
<i>Total San Francisco Jobs/Year</i>	755	899	1,106	653	646	623	3,045	6,972

Hunters Point Redevelopment

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
<u>SPENDING PLAN</u>							
Horizontal Infrastructure Costs (Transportation, Shoreline Improvements)	17,850	124,008	70,286	160,709	127,027	756,484	1,256,365
Affordable Housing		625	7,500	7,306	5,444	57,418	78,293
Open Space		2,630	990	10,072	4,240	50,017	67,948
Other Costs (Taxes, Fees, Marketing, Cmty Benefits, Project Mgmt)	11,329	13,086	15,026	17,005	28,771	175,483	260,700
Inflation to Costs	246	2,966	2,401	7,151	6,979	63,567	83,310
TOTAL	29,425	143,315	96,202	202,243	172,462	1,102,969	1,746,616
<u>REVENUES</u>							
Mello Roos		5,842	54,198	70,285	103,218	343,159	576,702
Tax Increment Financing				7,241	30,976	271,855	310,072
Private Capital	29,425	137,473	42,004	124,717	38,267	487,955	859,842
TOTAL	29,425	143,315	96,202	202,243	172,462	1,102,969	1,746,616
<i>Total San Francisco Jobs/Year</i>	192	937	629	1,323	1,128	7,213	11,423

Planning - Rincon Hill

Program / Project	Prior Years	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
SPENDING PLAN								
Recreation and Parks Department	1,907	1,300	500	4,400	1,800	1,900	5,272	15,172
Department of Public Works	1,803			1,438	181		15,124	16,743
Library Commission				30	10	260	300	600
Program Administration		10	10	10	10	10	50	100
TOTAL	3,710	1,310	510	5,878	2,001	2,170	20,746	32,615
REVENUES								
Local - Rincon Hill Community Improvements Fund	3,710	1,458	430		1,310	2,239	7,309	12,747
Mix - Other Sources				6,500				6,500
TOTAL	3,710	1,458	430	6,500	1,310	2,239	7,309	19,247
Total San Francisco Jobs/Year	24	10	3	43	9	15	48	126
Annual Surplus / (Deficit)		148	(80)	622	(691)	69	(13,438)	(13,369)
Cumulative Surplus / (Deficit)		148	69	691	0	69	(13,369)	

Planning - Market & Octavia

Program / Project	Prior Years	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
SPENDING PLAN								
Recreation and Parks Department				460	1,487	1,045	3,137	6,129
Department of Public Works	47,824	25	2,072	449	1,920	2,282	7,087	13,835
Municipal Transportation Agency		502	28,755	28,500	1,436	1,438	4,317	64,948
Department of Children, Youth, and their Families					768	413	1,240	2,421
Library Commission					83	45	135	263
Program Administration	30	88	88	138	408	363	1,165	2,250
TOTAL	47,854	615	30,915	29,547	6,102	5,586	17,081	89,846
REVENUES								
Local - Market and Octavia Community Improvements Fund	37	841	905	1,271	6,195	4,976	14,937	29,126
Local - Van Ness Market Density Bonus Program						536	2,142	2,678
Mix - Van Ness BRT Project			28,295	28,295				56,590
Local - Central Freeway Ancillary Funds			1,502					1,502
Mix - Other Sources	47,824							
TOTAL	47,861	841	30,703	29,566	6,195	5,511	17,079	89,896
<i>Total San Francisco Jobs/Year</i>		6	201	193	41	36	112	588
Annual Surplus / (Deficit)		226	(213)	19	94	(75)	(2)	50
Cumulative Surplus / (Deficit)	7	234	21	40	134	59	57	

Planning - Eastern Neighborhoods

Program / Project	Prior Years	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
SPENDING PLAN								
Recreation and Parks Department			4,800		3,900	8,415	14,940	32,055
Department of Public Works		299	288	4,540	5,060	4,800	1,440	16,427
Municipal Transportation Agency							13,856	13,856
Department of Children, Youth, and their Families	1,916				200	279	2,084	2,563
Library Commission				123	200	36	376	735
Program Administration	30	11	229	170	391	535	1,362	2,689
TOTAL	1,946	309	5,317	4,833	9,751	14,066	34,058	68,334
REVENUES								
Local - EN Community Improvements Fund	2,179	268	5,734	4,244	9,779	14,137	34,050	68,213
TOTAL	2,179	268	5,734	4,244	9,779	14,137	34,050	68,213
<i>Total San Francisco Jobs/Year</i>		2	38	28	64	92	223	446
Annual Surplus / (Deficit)		(41)	417	(589)	28	71	(8)	(122)
Cumulative Surplus / (Deficit)	234	193	610	21	49	120	112	

Planning - Balboa Park

Program / Project	Prior Years	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
SPENDING PLAN								
Recreation and Parks Department		106	250				740	1,096
Department of Public Works	42		720	720	281	1,184	4,806	7,710
Municipal Transportation Agency	37,430	3,639	8,119	8,269	1,916	363	1,088	23,394
Department of Children, Youth, and their Families					571	140		711
Library Commission	6,765				143	35		178
Program Administration		11	11	11	11	11		53
TOTAL	44,237	3,756	9,100	9,000	2,921	1,732	6,634	33,142
REVENUES								
Local - Balboa Park Community Improvements Fund		0	0	1	2	1	1	6,130
Local - Balboa Park In-Kind Agreement	1,600							
Mix - Other Sources	42,637	3,639	8,031	8,181	1,916			21,768
TOTAL	44,237	3,816	8,208	9,084	4,416	922	1,453	27,898
<i>Total San Francisco Jobs/Year</i>		25	54	59	29	6	10	182
Annual Surplus / (Deficit)		61	(892)	85	1,495	(810)	(5,182)	(5,244)
Cumulative Surplus / (Deficit)	0	61	(831)	(746)	748	(62)	(5,244)	

Planning Department Total

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total
<i>SPENDING PLAN</i>							
Recreation and Parks Department	1,907	1,406	4,860	7,187	11,360	24,090	54,452
Department of Public Works	49,669	324	7,147	7,442	8,266	28,457	54,715
Municipal Transportation Agency	37,430	4,141	36,789	3,352	1,801	19,261	102,198
Department of Children, Youth, and their Families	1,916			1,539	832	3,324	5,695
Library Commission	6,765		153	436	376	810	1,776
Program Administration	60	119	338	819	919	2,577	5,101
TOTAL	97,747	5,990	49,257	20,775	23,554	78,519	223,937
<i>REVENUES</i>							
Revenue Total	97,988	6,384	49,394	21,700	22,809	59,890	205,253
TOTAL	97,988	6,384	49,394	21,700	22,809	59,890	205,253
Total San Francisco Jobs/Year		42	295	142	149	392	1,342
Annual Surplus / (Deficit)	241	395	(767)	137	925	(745)	(18,629)
Cumulative Surplus / (Deficit)		636	(131)	6	931	187	(18,443)



VIII | General Government

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The table to the right lists the key facilities operated and maintained by the Department of Public Works (DPW), the Department of Technology (DT) and the General Services Agency (GSA).

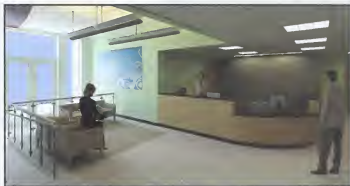
ID	Asset
1	30 Van Ness Avenue
2	25 Van Ness Avenue
3	1 South Van Ness Ave
4	1650 Mission Street
5	Produce Market
6	Power House
7	DT Admin and Shops
8	Animal Control Facility
9	1660 Mission Street
10	DT Central Radio Station - Twin Peaks
11	City Hall
12	Hall of Justice
13	1680 Mission Street
14	DPW Central Shops
15	DPW Corporate Yard

The City's Real Estate Division manages more than four million square feet of office and other civic facilities, primarily in the Civic Center, manages the current Hall of Justice at 850 Bryant Street and operates several industrial/corporate yards to support the operations of multiple departments. The key facilities are displayed on the opposing page.

Highlights and Accomplishments

San Francisco made major facility improvements in the past two years to a number of its General Government facilities. These include roof replacements and tenant improvements at 25 and 30 Van Ness, 1650 Mission and One South Van Ness. One South Van Ness is expected to become the City's first LEED certified existing building (LEED-EB) and commercial interior (LEED-CI) building due to the addition of a living roof, bike room, energy efficient lighting, and other green improvements.

With design nearing completion, construction will begin in July of 2011 to relocate and expand certain Department of Public Health functions into several floors of 25 Van Ness. Renovations include first floor space that has been vacant for more than four years due to a lack of funds for necessary ADA and HVAC improvements. The improvements and move are almost entirely funded through a National Institutes of Health grant.



Rendering of NIH funded office space at 25 Van Ness

The City also continues to make progress in its long-term effort to move employees from leased to owned space and improve the condition and functionality of its facilities. Recently completed moves have brought us to 100% occupancy of One South Van Ness, allowing for further discontinuance of some of the City's leases at 875 Stevenson, and have enabled operational savings and efficiencies by consolidating department functions at one key Civic Center location.

Private sector transactions in the Civic Center area are likely to bring more opportunities to relocate functions into better suited and more efficient office space through leases with potential for downstream ownership by the City. This will yield further savings for the City over the long term, and stabilize workforce locations ancillary to City Hall.

For General Government facilities, this Plan proposes investments of \$164.5 million.

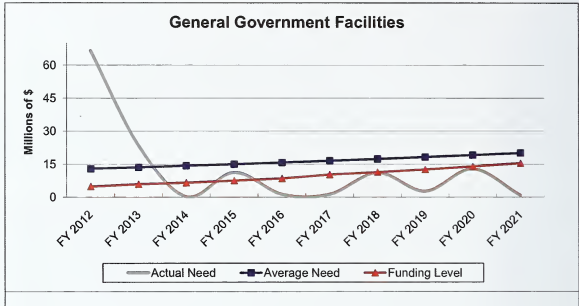
1. Renewal Program

The biggest change to the program is that after four years of attempting to fund renewal costs for the six Civic Center buildings through increased rent, these buildings are being returned to the general government facility renewal program. Due to the City's budget

The benefits of acquiring office space rather than leasing is that it offers protection from rental rate fluctuations, allows for more long-term planning, and provides greater flexibility with respect to modifying office space.

challenges, the Plan recognizes that rent payments from occupying departments have been much less than anticipated and do not adequately cover long-term capital costs.

Renewal needs for General Government facilities total \$163 million. Given funding constraints, the Plan allocates \$97 million to meet these needs. No funds are proposed to reduce the existing \$15 million deferred maintenance backlog.



2. Enhancement Program (FY2012 – FY2021)

Though significant work is expected keep the Hall of Justice fully functional until its occupants are relocated, the most significant enhancement project proposed in the Plan is the produce market expansion.

- **Wholesale Produce Market Expansion.** In 2009, the Board of Supervisors approved the Fiscal Responsibility and Feasibility Report for the proposed expansion of the market on Jerrold Avenue and Highway 280. Pending CEQA review, the project proposes increasing the footprint of the market by about 25 percent and making improvements to comply with real estate market requirements and anticipated food safety regulations. The total project includes investments of almost \$70 million funded through current market revenue and a combination of financing options outside of the City's General Fund. An initial investment of \$1.8 million for planning and design was funded by the San Francisco Produce Market Corporation.

The market expansion requires the demolition of the Department of Technology (DT) Industrial Yard and the SFMTA street operations center which are currently located at 901 Rankin. The relocation of DT's facility is considered an emerging need until a replacement site is identified and a more accurate cost estimate can be developed. The street operations center will be co-located with other SFMTA warehouse facilities toward the end of 2011.

- **Hall of Justice (HOJ) Interim Improvement Program.** The Plan proposes a phased replacement of the HOJ. However, critical life safety, security, mechanical and electrical systems need to be repaired since many departments will remain in the building for several years. Two million dollars is allocated for these needs.

3. Deferred Projects

In addition to the existing backlog of deferred maintenance identified in the renewal section, the Plan defers another \$98 million in enhancements. These include the following:

- **GSA Central Shops and DPW Corporate Yard Modernization.** The plan defers the renovation and seismic upgrade of these facilities, estimated to cost approximately \$88 million.
- **Asphalt Plant Upgrade.** The estimated cost to upgrade the plant to allow for greater use of recycled content is more than \$6 million. The plan defers this project, pending policy options being considered by the Mayor's Office and Board of Supervisors.



Central Shops Roof

4. Emerging Needs

The following emerging needs are not funded in this year's plan but will be reviewed in subsequent capital plans as additional planning occurs and uncertainty around project-specific issues is resolved.

- **240 Van Ness Seismic Upgrade.** This structure may be replaced to consolidate leased DPH facilities into a City owned building. See the DPH chapter for details.
- **Data Center Consolidation.** The Committee on Information Technology's data center consolidation working group has defined shared data center needs and ranked available sites. As a result of the review, datacenter consolidation into an Airport facility and an interim location (a leased facility at 200 Paul) is being evaluated. Discussions are ongoing about the sites and level of investment required.
- **Communications Services Industrial Yard Relocation (DT).** Located at 901 Rankin Street, the current set of buildings at this location are seismically deficient and well beyond their useful life. Given this and the proposed demolition of these buildings to allow for the expansion of the Wholesale Produce Market, DT and Real Estate are in the process of identifying another location and establishing an accurate replacement cost.
- **Communications System Modernization.** Faced with public safety radios that are beyond their usual life and new technology options that make interagency communication possible on a local and regional level, the City is contemplating several investments that may require site improvements. The City's technology decisions and funding strategy will

inform the level of investment in site and tower modernization. The basic option for the Radio Enhancements and Interoperability program requires an estimated \$4.2 million in site improvements. The radio site towers themselves need an estimated \$1.3 million to be modernized and brought up to code. The BayWEB (Bay Area Wireless Enhanced Broadband) program requires an estimated \$5.6 million in site improvements. Finally, an additional \$4 million has been requested for fiber redundancy to radio sites and \$825,000 for improvements to work space and plumbing at Twin Peaks.

General Government

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	12,969	13,617	14,298	15,013	15,763	91,458	183,118	14,612
SPENDING PLAN								
State of good repair renewal - Proposed Uses	4,889	5,904	6,573	7,568	8,528	63,771	97,233	89,065
ADA Transition Plan Improvements	215	441	116	122			894	
Enhancements	23,800				7,722	34,900	66,422	97,688
TOTAL	28,904	6,345	6,689	7,689	16,250	98,671	164,548	186,753
REVENUES								
General Fund	6,633	6,345	6,689	7,689	8,528	63,771	99,655	
Certificates of Participation	20,800					34,900	55,700	
Enterprise/Service Funds	1,000						1,000	
Private and Non-Profit Sources					7,722			
State	471						471	
TOTAL	28,904	6,345	6,689	7,689	16,250	98,671	164,548	
Total San Francisco Jobs/Year	169	41	44	50	106	645	1,076	

Departmental Breakdown

Department of Public Works

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
State of good repair renewal - Need	478	501	526	553	580	3,367	6,006	443
SPENDING PLAN								
State of good repair renewal - Proposed Uses	178	215	239	276	311	2,322	3,540	3,329
Renovation of DPW Corporate Yard								73,624
Asphalt Plant Upgrade								6,047
1680 Mission Emergency Generator								3,888
TOTAL	178	215	239	276	311	2,322	3,540	86,889
REVENUES								
General Fund	178	215	239	276	311	2,322	3,540	
TOTAL	178	215	239	276	311	2,322	3,540	
Total San Francisco Jobs/Year	1	1	2	2	2	15	23	

Department of Technology

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
-------------------	---------	---------	---------	---------	---------	----------------------	------------	---------

State of good repair renewal - Need

549 576 605 635 667 3,869 6,900

SPENDING PLAN

DEFERRED

State of good repair renewal - Proposed Uses

194 234 261 300 338 2,528 3,854 4,093

TOTAL

194 234 261 300 338 2,528 3,854 4,093

REVENUES

General Fund

194 234 261 300 338 2,528 3,854

Certificates of Participation

194 234 261 300 338 2,528 3,854

TOTAL

194 234 261 300 338 2,528 3,854

Total San Francisco Jobs/Year

1 2 2 2 2 17 25

General Services Agency

Program / Project	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 - FY 2021	Plan Total	Backlog
-------------------	---------	---------	---------	---------	---------	----------------------	------------	---------

State of good repair renewal - Need

11,943 12,540 13,167 13,825 14,516 84,222 150,211 14,169

SPENDING PLAN

DEFERRED

State of good repair renewal - Proposed Uses

4,517 5,455 6,073 6,992 7,880 58,921 89,838 81,643

ADA Transition Plan Improvements - GSA

215 441 116 122 7,722 34,900 63,422

Wholesale Produce Market Expansion

20,800 2,000

Hall of Justice Interim Improvement Program

2,000

Central Shops Renovation and Seismic Upgrade

1,000

1660 Mission Tenant Improvements

28,532 5,896 6,189 7,114 15,602 93,821 157,154 95,772

TOTAL

28,532 5,896 6,189 7,114 15,602 93,821 157,154 95,772

REVENUES

General Fund

6,261 5,896 6,189 7,114 7,880 58,921 92,261

Certificates of Participation

20,800 1,000

Enterprise/Service Funds

1,000

Private and Non-Profit Sources

7,722

State

471

TOTAL

28,532 5,896 6,189 7,114 15,602 93,821 157,154

Total San Francisco Jobs/Year

187 39 40 47 102 614 1,028

IX | Appendix

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SEC. 3.20. CAPITAL EXPENDITURE PLAN.

By March 1 of each year, the City Administrator shall annually submit to the Mayor and Board of Supervisors a ten-year capital expenditure plan which shall include an assessment of the City's capital infrastructure needs, investments required to meet the needs identified through this assessment, and a plan of finance to fund these investments. By May 1 of each year, the Mayor and Board of Supervisors shall annually review, update, amend, and adopt by resolution the ten-year capital expenditure plan.

The capital expenditure plan shall include all recommended capital project investments for each year of the plan. The plan shall incorporate all major planned investments to maintain, repair, and improve the condition of the City's capital assets, including but not limited to city streets, sidewalks, parks, and rights-of-way; public transit infrastructure; airport and port; water, sewer, and power utilities; and all City-owned facilities.

The capital expenditure plan shall include a plan of finance for all recommended investments, including proposed uses of General and Enterprise Funds to be spent to meet these requirements. Additionally, the plan shall recommend the use and timing of long-term debt to fund planned capital expenditures, including General Obligation bond measures.

The capital expenditure plan shall include a summary of operating costs and impacts on City operations that are projected to result from capital investments recommended in the plan. This operations review shall include expected changes in the cost and quality of City service delivery.

The plan shall also include a summary and description of projects deferred from the ten-year capital expenditure plan given non-availability of funding necessary to meet assessed capital needs. (Added by Ord. 216-05, File No. 050920, App. 8/19/2005) (Former Sec. 3.20 added by Ord. 223-97, App. 6/6/97; amended by Ord. 55-98, App. 2/20/98; repealed by Ord. 216-05)

SEC. 3.21. CAPITAL PLANNING COMMITTEE.

There is hereby created a Capital Planning Committee consisting of the City Administrator as chair, the President of the Board of Supervisors, the Mayor's Finance Director, the Controller, the City Planning Director, the Director of Public Works, the Airport Director, the Executive Director of the Municipal Transportation Agency, the General Manager of the

Public Utilities System, the General Manager of the Recreation and Parks Department, and the Executive Director of the Port of San Francisco. Each member of the Capital Planning Committee may designate a person to represent her or him as a voting member of the Committee. Such designations shall be in written documents signed by the designating member and filed with the City Administrator, or her or his designee.

The mission of the Capital Planning Committee is to review the proposed capital expenditure plan and to monitor the City's ongoing compliance with the final adopted capital plan. As such, the Capital Planning Committee shall (1) establish prioritization and assessment criteria to assist the City Administrator with the development of the capital expenditure plan, (2) annually review the City Administrator's proposed capital expenditure plan prior to its submission to the Mayor and Board of Supervisors, and (3) review the annual budget and any proposed use of long-term debt, including General Obligation bonds, to ensure compliance with the adopted capital expenditure plan.

The Board of Supervisors shall not place on the ballot, or authorize the issuance of any long term financing, until the Capital Planning Committee completes a review of the proposal and submits its recommendation to the Board of Supervisors. Each proposal shall be in form and substance satisfactory to the Committee, and shall be accompanied by descriptive financial, architectural, and/or engineering data, and all other pertinent material in sufficiently complete detail to permit the Committee to review all aspects of the proposal. The Committee shall submit a written report to the Mayor and the Board analyzing the feasibility, cost, and priority of each proposal relative to the City's capital expenditure plan.

The Chair of the Capital Planning Committee is hereby authorized to adopt such rules, definitions, and procedures as are necessary to meet the requirements described in Section 3.20 and 3.21. (Added by Ord. 216-05, File No. 050920, App. 8/19/2005) (Former Sec. 3.21 added by Ord. 223-97, App. 6/6/97; repealed by Ord. 216-05)

B. Job Creation Estimation Methodology

In an effort to better evaluate and prioritize capital projects, local governments are examining not only upfront financial costs but also their contributions of direct and indirect jobs generated by the capital investment. The City and County of San Francisco's FY 2012-2021 Capital Plan estimates more than \$14 billion in capital projects during the next five years, which will create as many as 162,000 San Francisco jobs. A job is defined as one job year of full-time work. For example, five people employed for four years equals 20 job years. This jobs estimate is based on the REMI Policy Insight model which attributes 6.54 direct and indirect San Francisco jobs per million dollars in construction spending. This is exclusive of the additional jobs created outside of the City and County as workers and materials migrate in from surrounding areas.

Customized for San Francisco, REMI has the unique ability to determine the effects of taxes and other variables on the local economy. As a result, the Controller's Office of Economic Analysis uses this model for analyzing the economic impact of pending legislation. The table below summarizes the number of job years from the REMI model based on \$1 million of construction spending in San Francisco. As indicated, each \$1 million invested in construction activities results in 4.37 direct construction jobs, 6.54 total direct and indirect jobs, and about 2.17 indirect jobs in the various economic sectors noted above. Stated another way, for each direct construction job, there are 1.50 total jobs (6.54/4.37), or a construction job multiplier of 1.50.

Estimated Private Jobs Created from Construction Spending in San Francisco

Economic Sector	Total San Francisco Jobs per \$1M Construction Spending
Construction	4.37
Professional and Technical Services	0.40
Retail Trade	0.39
Administrative and Waste Services	0.21
Health Care and Social Assistance	0.21
Other Services, except Public Administration	0.21
Accommodation and Food Services	0.15
Finance and Insurance	0.11
Wholesale Trade	0.10
Transportation and Warehousing	0.07
Real Estate and Rental and Leasing	0.07
Arts, Entertainment, and Recreation	0.07
Information	0.06
Manufacturing	0.05
Educational Services	0.05
Management of Companies and Enterprises	0.02
Total Private-Sector Jobs	6.54
Construction Multiplier	1.50
Direct Construction Jobs	4.37
Indirect Employment in Other Sectors	2.17

Source: *Economic Multipliers from Office of Economic Analysis, Controller's Office*
 REMI Model Outputs: 9/28/2010 from \$1 million construction spending

C. Funding Principles

	Criteria Description	Criteria Measurement
Priority 1	<p>Improvement is necessary to comply with a federal, state, or local legal mandate.</p> <p>The City faces a wide range of directives to improve its facilities, some with significant consequences for failure to perform.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Action is mandated or required by local, state, or federal law, legal judgment or court order. <input type="checkbox"/> Action reduces the City's exposure to legal liability. <input type="checkbox"/> There are significant legal, financial, operating, or accreditation consequences for failure to perform.
Priority 2	<p>Provides for the imminent life, health, safety and security of occupants and the public or prevents the loss of use of the asset.</p> <p>Capital projects that minimize physical danger to those who use and work in City facilities, including protection during seismic events and exposure to hazardous materials.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> The facility has a poor seismic rating with a high risk of collapse or structural damage. <input type="checkbox"/> Increases resiliency to withstand and recover from a disaster, particularly in critical facilities (i.e., hospitals, police and fire stations, jails, sewer system, pump stations, etc). <input type="checkbox"/> Mitigates hazardous materials and/or protects the vital environmental health of those who visit, use, and work in City facilities.
Priority 3	<p>Ensures timely maintenance and renewal of existing infrastructure.</p> <p>It is imperative to maintain the City's infrastructure. However, the lack of maintenance at some facilities will have a greater effect on the asset's value and/or future repair and replacement costs.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Failure to implement project risks potential loss or reduces the useful life of a City asset's value. <input type="checkbox"/> The facility provides government services that cannot be provided at another location.
Priority 4	<p>Supports formal programs or objectives of an adopted plan or action by the Board or Mayor.</p> <p>Capital investments should be integrated with adopted departmental and citywide long-term goals and objectives.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Supports a formally adopted plan or action by the Board of Supervisors or Mayor, (i.e., the City's General Plan or Neighborhood Area Plan) <input type="checkbox"/> Makes a substantial contribution to a broadly-accepted citywide goal (i.e., ecological sustainability or historic preservation)
Priority 5	<p>Enhances the City's economic vitality by stimulating the local economy, increasing revenue, improving government effectiveness, or reducing operating costs.</p> <p>Some projects have a direct or indirect effect on the City's revenues or expenditures. Cost savings or revenue enhancements may help offset the cost to the City of some capital investments.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Generates direct (increased service charges, leases, fees, grants, gifts, or other sources) or indirect (economic development, an increased tax base, business attraction or retention, or other sources) revenues. <input type="checkbox"/> Reduces maintenance or operating costs (i.e., through capital renewal, building redesign, or reduced staffing needs). <input type="checkbox"/> Improves government effectiveness and efficiency in the delivery of services (i.e., faster response times, improved customer service, or increased departmental coordination).

D. Methodology, Assumptions & Terms

Methodology

Under direction of the City Administrator, department staff annually assesses facility conditions, determines renewal cost projections and proposed enhancements, and analyzes available funding resources to prepare a ten-year capital plan.

Through a series of meetings the CPC reviews proposals, staff recommendations, and documents toward the development of the citywide capital plan. These reviews do not, and are not meant to, replace the authority of department commissions' or other oversight bodies under the City Charter and other codes. Rather, the ten-year plan is meant to provide a forum that examines capital needs from a citywide perspective and to foster a dialogue on those needs between stakeholders, commissions, the Mayor, and the Board of Supervisors.

Staff uses two approaches to collect data for the Plan. The Facilities Renewal Resource Model (FRRM) is used to collect information on the good repair and maintenance of facilities and infrastructure (also known as renewals) for all of the General Fund departments. The Airport, Port, and MTA have implemented this model for their facilities as well. In addition, General Fund departments submitted enhancement requests using the Capital Planning and Reporting database (CPR-d). These proposals were reviewed by professional staff (e.g., architects, engineers, etc.) and categorized as a funded, deferred, or emerging needs.

- **Facilities Renewal Resource Model (FRRM)**

For the third year, the City used the facility life-cycle model, to predict annual funding requirements for General Fund department facilities. The objectives of the facility modeling effort are listed below.

- i. Develop a budget model to predict annual funding requirements for facilities renewal and document the existing backlog of deferred maintenance in a consistent way for all departments.
- ii. Provide a basis for a funding plan that will first address adequate resources for renewal and then a reduction of the deferred maintenance backlog.
- iii. Create consistent and comparative data among departments for determining funding allocations and targets for addressing renewal as a part of operating or capital budgets.
- iv. Deliver a cost model to each department with associated staff training so that facilities renewal and deferred maintenance needs can be updated annually and progress in meeting those needs can be measured.
- v. Provide a planning tool for departmental use which provides a useful life "systems" profile of each building, as a way of predicting future funding needs or packaging projects to leverage fund sources.
- vi. Develop a credible model to assess needs consistently and to focus on total funding needs and strategies.

The model uses San Francisco building information (gross square feet, construction date, facility subsystem type), and an approach based on subsystem life cycles and replacement costs to estimate the backlog of deferred maintenance and future capital reinvestment needs. Below is an example of the ten-year renewal forecast report generated by FRRM for a particular facility. This report – one of dozens available – shows subsystems within the building that need to be replaced during the next 10 years and the corresponding cost (in thousands). A variety of other reports are available for further analysis.

Buildingname: SFGH - NEW HOSPITAL (BLDG 5)												
CRV(\$000's) \$404,250 Bldgno 912 GSF 617,400 Year Built 1974 FCI 0.00												
Backlog and 10 year Renewal forecast by Building \$ (000's)												
Subsystem	Backlog	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total
a.3. Roofing - Mmbm. Built-up, Shingle	\$0	\$657	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$657
Bitumin	\$0	\$0	\$255	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$255
b.1. Building Exteriors (Hard)	\$0	\$1,908	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,908
c.1. Elevators and Conveying Systems	\$0	\$0	\$3,127	\$0	\$3,127	\$0	\$2,943	\$0	\$0	\$0	\$0	\$9,196
d.1. HVAC - Equipment	\$0	\$0	\$6,235	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,235
d.2. HVAC - Controls	\$0	\$0	\$4,190	\$0	\$4,190	\$0	\$3,944	\$0	\$0	\$0	\$0	\$12,324
e.1. HVAC - Distribution Systems	\$0	\$0	\$0	\$0	\$0	\$0	\$19,940	\$0	\$0	\$0	\$0	\$19,940
f.1. Electrical Equipment	\$0	\$0	\$2,392	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,392
g.1. Plumbing Fixtures	\$0	\$414	\$0	\$0	\$529	\$0	\$1,036	\$414	\$1,036	\$414	\$0	\$4,143
i.1. Fire Protection Systems	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,589	\$0	\$0	\$0	\$2,589
j.2. Fire Detection Systems	\$0	\$0	\$3,485	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,485
k.1. Built-in Equipment and Specialties	\$0	\$3,935	\$0	\$3,935	\$0	\$3,935	\$0	\$3,935	\$0	\$3,935	\$0	\$19,673
f.2. Multiple Equipment	\$0	\$1,036	\$0	\$0	\$0	\$1,036	\$0	\$0	\$0	\$0	\$0	\$2,071
j.2. Interior Finishes	\$0	\$7,950	\$19,684	\$3,935	\$8,146	\$4,970	\$7,623	\$26,878	\$1,036	\$4,348	\$0	\$84,871
Total by building	\$0	\$7,950	\$19,684	\$3,935	\$8,146	\$4,970	\$7,623	\$26,878	\$1,036	\$4,348	\$0	\$84,871

Each department maintains the model, with the capability of summarizing information at both the department and citywide level. The model has a great deal of built-in flexibility that allows the city to enter new data and even change the underlying assumptions in future years.

The FY 2012-2021 Capital Plan reflects renewal data collected from August through December 2010 and includes detailed information for each General Fund department. These findings are summarized in the renewal graphs and the renewal line of the financial summary schedules for each of the General Fund service areas found in Section II of this report.

Assumptions

- In FY 2012, the Plan uses the Annual Infrastructure Construction Cost Inflation Estimate (AICCIE) of three percent as the escalation rate. For every year thereafter, the Plan assumes an annual escalation rate of five percent for all projects, unless otherwise noted.
- Fiscal years (FY) in the Plan refer to the calendar year in which the City's July 1 to June 30 budget cycle ends. For example, FY 2012 equals the calendar year dates from July 1, 2011 to June 30, 2012.
- Dollars are listed in thousands for all financial schedules unless otherwise noted.
- For all proposed General Obligation bonds, the financial schedules show the total bond amount in the fiscal year during which the bond is to be approved by voters. For example, a G.O. bond proposal on the November 2011 ballot will appear in FY 2012 of the financial schedule.
- The General Obligation bond program assumes growth in Net Assessed Value of -1.5 percent in FY 2012, 1.6

percent in FY 2013, 2.7 percent in FY 2014, and 4.5 percent annually thereafter.

- When issued, G.O. bonds proposed by this Plan will not increase voters' long-term property tax rates above FY 2006 levels. In other words, new G.O. bonds will only be used as a funding source when existing approved and issued debt is retired and/or the property tax base grows.
- The General Fund Debt program assumes that General Fund discretionary revenues grow 4.5 percent per year and that the amount of General Fund revenues spent on debt service will not exceed 3.25 percent.
- The Pay-as-you-go program assumes only General Fund revenue sources.

C. General Terms

Commonly used terms throughout the Plan are defined below.

- **Routine Maintenance.** Projects provide for the day-to-day maintenance of existing buildings and infrastructure, including labor costs. Unlike renewals and enhancements, these are annual projects.
- **Renewals.** Investments to preserve or extend the useful life of facilities and infrastructure. Examples of renewal projects include the repair and replacement of major building systems including the roof, exterior walls and windows, and heating and cooling systems; street resurfacing; and the repair and replacement of infrastructure in the public right-of-way, including sidewalks and street structures.

Since renewal projects tend to be smaller investments compared with investments needed to replace entire facilities, the proposed plan funds the majority of these needs through pay-as-you-go cash revenue sources, typically appropriated through the City's annual budget process.

- **Enhancements.** Investments that increase an asset's value or useful life and/or change its use. These typically result from the passage of new laws or mandates, functional changes, or technological advancements. Examples include purchasing or building a new facility or park; major renovations of or additions to an existing facility; accessibility improvements to comply with the Americans with Disabilities Act (ADA); and planting new street trees.

While enhancements can be small-scale projects such as the removal of barriers to comply with ADA requirements, these typically are large-scale, multi-year, projects such as renovations, additions, or new facilities. While some project costs can be funded with pay-as-you-go sources, most enhancements require debt financing through the issuance of General Obligation (G.O.) bonds, Certificates of Participation (C.O.P.s) or lease revenue bonds.

- **Job Years.** This is defined as one year of full-time work. For example, three people employed for five years represent 15 job years.
- **Pay-As-You-Go.** This refers to the funding of capital projects with current revenue on an annual basis rather than long-term debt. Pay-as-you-go projects are typically funded by General Fund revenues.
- **Capital Project.** A capital projects is a major construction and improvement project, including the planning and design phases, such as the resurfacing of a street, the construction of a new school, bridge, or community center.

- **General Obligation Bonds (G.O. Bonds).** A general obligation bond is a municipal bond backed by property tax revenues. G.O. Bonds are appropriately used for the construction and/or acquisition of improvements to real property broadly available to the residents and visitors of San Francisco.
- **Debt Service.** The annual payment of principal and interest on the City's bonded debt.
- **Certificates of Participation (COPs).** COPs are a commonly used form of lease financing for capital improvement projects or purchases of essential equipment in which the debt service on the financing is secured by an underlying lease structure.
- **Revenue Bond.** A bond issued by the City to build, acquire, or improve a revenue-producing property. Unlike G.O. bonds, which carry the full faith and credit of the issuing agency and are repaid primarily through property tax revenues, revenue bonds are repaid from a specified revenue source, usually the revenues from the facility for which the bond was originally issued.
- **Deferred Project.** These are projects not funded in the Plan either due to lack of funding or the timeline of the project falling outside of the ten-year planning cycle.
- **Emerging Need.** These are projects not funded in the Capital Plan because additional planning is needed or significant uncertainty around project-specific issues still exists.
- **General Fund.** The largest of the City's funds, the General Fund is a source for discretionary spending and funds many of the basic municipal services such as public safety, health and human services, and public works. Primary revenue sources for the General Fund include local taxes such as property, sales, payroll, and other taxes.
- **General Fund Department.** These departments rely primarily or entirely on the General Fund as a revenue source to provide City services. The General Fund departments included in the Plan are the California Academy of Sciences, Asian Art Museum, Arts Commission, Department of Emergency Management, Department of Public Health, Department of Public Works, Department of Technology, District Attorney's Office, Fine Arts Museum, Fire Department, General Services Agency, Human Services Agency, Juvenile Probation, Police Department, Public Library, Recreation and Parks Department, Sheriff's Department, Superior Court of California, and the War Memorial and Performing Arts Center.
- **Enterprise Department.** Departments that do not require a General Fund subsidy because they generate their own revenues from fees and charges for services. The City has four Enterprise departments: Public Utilities Commission, San Francisco International Airport, Port of San Francisco, and the Municipal Transportation Agency.
- **External Agency.** These departments are separate, autonomous entities and operate outside the jurisdiction of the City and County of San Francisco.
- **Assessed Value.** The dollar value assigned to individual real estate or other property for the purpose of levying taxes. *Net Assessed Value* is the total growth of real estate or other property across the entire City.

E. Infrastructure Finance Districts: Threshold & Strategic Criteria

The following threshold and strategic criteria to guide the use of future Infrastructure Finance Districts (IFDs) in San Francisco were adopted by the Board of Supervisors (BOS) on February 18, 2011. These criteria are in addition to those in IFD law (CA Government Code section 53395 et. seq.)

The Guidelines are organized into two sets of criteria: (1) minimum “Threshold Criteria” that must be satisfied for an IFD to be formed by the BOS and (2) “Strategic Criteria” that may be considered when deciding whether to form a future IFD. These policy guidelines would not apply to any existing Redevelopment Area (IFD law prohibits it) or to any property owned or managed by the Port of San Francisco.

Threshold Criteria:

1. Limit to areas that are rezoned as part of an Area Plan or Development Agreement approved by the Board of Supervisors (BOS) and also adopted as a Planned Priority Development Area (PDA) by the Association of Bay Area Governments (ABAG). Priority Development Areas (PDAs) are locally-identified, infill development opportunity areas within existing communities. They are generally areas of at least 100 acres where there is local commitment to developing more housing along with amenities and services to meet the day-to-day needs of residents in a pedestrian-friendly environment served by transit. To be eligible to become a PDA, an area has to be within an existing community, near existing or planned fixed transit or served by comparable bus service, and planned for more housing. Designation of PDAs expresses the region's growth priorities and informs regional agencies, like the Metropolitan Transportation Commission (MTC), which jurisdictions want and need assistance. Planned PDAs are eligible for capital infrastructure funds, planning grants, and technical assistance. Linking creation of future IFDs to areas designated as PDAs will allow the City to leverage the increment generated by an IFD to increase its chances to receive matching regional, state or federal infrastructure and transportation grants.

2. Limit to areas where a rezoning results in a net fiscal benefit to the General Fund as determined by the Controller's Office. Specifically, the City must demonstrate that any added General Fund costs generated by the new service population projected to result from the growth supported by a rezoning are offset by greater General Fund revenues, resulting in a net fiscal benefit or surplus. As a general rule, this would mean that use of IFDs would be limited to areas that received substantial & quantifiable upzoning, based on actual net increases in height, bulk, density that result in greater developable FAR than the previous “baseline” zoning, or through liberalization of land use and permitting provisions that increase the certainty of entitlements and the value of property.

3. In general, restrict the maximum increment available to an annual average of 33-50% over the 30-year term of the IFD, and in no event allow the annual average increment over the life of the IFD to exceed the projected net fiscal benefit over the life of the IFD. This maximum average cap would include annual pay-as-you-go monies and bond service payments or some combination of both. The maximum average increment cap may be increased to 50% to fund neighborhood infrastructure that also provides clear citywide benefits, like an extension or upgrade of a MUNI light rail line or the development of a City-serving park. In any event, this policy would guarantee that an IFD diversion should always be less than the net fiscal benefit, guaranteeing that there is

at least some again to the General Fund in all circumstances. This policy would not prevent the “front-loading” of increment in the beginning years of an IFD to allow for bonding and the acceleration of construction of neighborhood-serving infrastructure, especially since accelerating delivery of infrastructure should have a correspondingly positive effect on property tax revenues for the General Fund.

4. Limit to areas with documented existing infrastructure deficiencies. Because the City has not developed universally-applied and objective citywide standards for assessing the sufficiency (or deficiency) of existing neighborhood-serving infrastructure, BOS-adopted planning documents (like Area Plans) that qualitatively and/or quantitatively describe such deficiencies will suffice until new citywide standards are adopted at a later date. After the adoption of a new IFD policy, the Capital Planning Committee should be tasked with developing a systematic and quantitative set of criteria or standards for assessing existing neighborhood infrastructure deficiencies in the following areas: (i) neighborhood parks & open space improvements; (ii) “Better Streets” streetscape & pedestrian safety improvements; (iii) bicycle network improvements; (iv) transit-supportive improvements; (v) publicly-owned community center and/or child-care facilities. Furthermore, the CPC would need to adopt citywide standards to avoid the use of IFD funds for “gold-plated park benches” or facilities that far exceed citywide norms for cost and quality.

5. Limit use of IFD monies to individual infrastructure projects where a source of long term maintenance funding is identified. Within an IFD, limit expenditure of IFD monies to projects that have identified a separate source of funding for ongoing maintenance and operations. In some cases this could be through public-private agreements, such as a Master HOA agreeing to maintain a public park or a Community Benefit District agreeing to fund long-term maintenance, or via the creation of a new supplemental property tax assessment district, like a Mello-Roos Community Facilities District.

Strategic Criteria:

- » In general, limit IFDs to parcels without any occupied residential use. The City may want to exclude parcels that contain existing occupied residential structures. This is because IFD law requires an actual voter-based election if there are 12 or more registered voters within the proposed boundaries of an IFD. If there are less than 12 registered voters, the law only requires a weighted vote of the property owners, which, in general, should reduce the complexity and time required for forming a district. On the other hand, there may be circumstances where a voter-based election may be both desirable and manageable.
- » Use IFDs as a strategy to leverage additional non-City resources. As noted in Threshold Criteria #1 above, IFDs should be used as a tool to leverage additional regional, state and federal funds, thereby serving a purpose beyond earmarking General Fund resources for needed infrastructure. In particular, IFDs may prove instrumental in securing matching federal or state dollars for transportation projects.
- » Consider adopting a limited policy of “overriding considerations” for situations where the BOS may have adopted zoning that purposely restricts or limits the economic “highest and best” use of a given area, thereby limiting or reducing the net General Fund benefit derived from a rezoning, but where other social policy objectives might dictate that some IFD revenues be spent on supportive infrastructure.

F. Project Appendix

Though too long to include here, a list of General Fund project requests with descriptions and their planned funding is available online. The project appendix and map are produced as an aid to understanding the Plan: scope, schedule, and funding may change as projects approach implementation.

Visit <http://onesanfrancisco.org/> to view the appendix and map.

ONESF

Building Our Future

This 2012-2021 Capital Plan represents the City's commitment to building a stronger future.

There's only one San Francisco. Let's take care of it.

ONE PLAN | ONE CITY | ONESF



SFO

Project: Terminal 2 Modernization

Cost: \$383 million

Scope: Renovate Terminal 2, the former 10-gate International Terminal, into a new 14-gate domestic terminal.

Major funding source: Funded by the Airport using General Airport Revenue Bonds and Transportation Security Administration grant funds.

Status: Completed mid-April 2011

Description: To accommodate growth in passenger traffic and airline demand for gates, SFO embarked in 2008 on a \$383 million project to renovate Terminal 2 into a state-of-the-art domestic terminal. The terminal, which formerly housed international flights, closed when SFO's current International Terminal opened in December 2000. The overhaul and re-opening of Terminal 2 is a significant stimulus for the City of San Francisco and the Bay Area, generating an estimated 2,758 jobs. Tenant build-out costs contributed an additional \$15 million. Completed in mid-April 2011, Terminal 2 is home to American Airlines and Virgin America.

Terminal 2 includes approximately 640,000 square feet with capacity for 5.5 million enplaned passengers per year. Terminal 2 features 12 restaurants, 9 retail stores, a gourmet marketplace with a wine bar and a spa. SFO is the first airport in the country to exclusively recruit food vendors offering wholesome fare prepared in a healthful manner from local sources. Terminal 2 includes major works and exhibitions of public art in partnership with the San Francisco Arts Commission. The Airport anticipates Terminal 2 will achieve LEED™ Gold Certification, with sustainable features that include paperless ticketing and preferential parking for hybrid cars.

